

# Innovation

# Reliability

# Sustainability



**2023-24**  
38<sup>th</sup> Annual Report

# Welcome to the Galaxy Surfactants Limited Annual Report for 2023-24.

This year, we celebrate a journey defined by our commitment to Innovation, Reliability, and Sustainability. These core principles have driven our success and positioned us at the forefront of the home and personal care industry. Innovation has fuelled our growth, driving us to explore new possibilities and pioneer solutions that address evolving market needs. Our dedication to quality and transparency is reinforced by the reliability with which we deliver on our promises, earning the trust of our customers, partners, and stakeholders. Sustainability is at the heart of our actions, ensuring that our operations and innovations are environmentally responsible and socially beneficial. By embracing these principles, we create value for our stakeholders, empower our employees, and contribute to a better and more sustainable future.

Join us as we reflect on a year where challenges were met with groundbreaking solutions, where our reliability earned unwavering trust, and where our dedication to sustainability marked a new era of responsible chemistry.

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# Corporate Information

## BOARD OF DIRECTORS

### M. G. Parameswaran

Chairman,  
Non-Executive Independent Director

### K. Natarajan

Managing Director  
(w.e.f. February 18, 2024)

### Vaijanath Kulkarni

Executive Director and COO

### U. Shekhar

Non-Executive Director  
(Managing Director till February 17, 2024)

### G. Ramakrishnan

Non-Executive Director

### Shashikant R. Shanbhag

Non-Executive Director

### Subodh Nadkarni

Non-Executive Independent Director

### Nandita Gurjar

Non-Executive Independent Director

### Kanwar Bir Singh Anand

Non-Executive Independent Director

### Madhavan Hariharan

Non-Executive Independent Director  
(w.e.f. May 23, 2023)

## BOARD COMMITTEES

### Audit Committee

#### Subodh Nadkarni

Chairman

#### M. G. Parameswaran

#### G. Ramakrishnan

#### Kanwar Bir Singh Anand

#### Madhavan Hariharan

(w.e.f. November 11, 2023)

### Nomination & Remuneration Committee

#### Nandita Gurjar

Chairperson

#### M. G. Parameswaran

#### Subodh Nadkarni

#### Kanwar Bir Singh Anand

#### Madhavan Hariharan

(w.e.f. November 11, 2023)

## Stakeholders

### Relationship Committee

#### M. G. Parameswaran

Chairman

#### G. Ramakrishnan

#### K. Natarajan

### Corporate Social

### Responsibility Committee

#### U. Shekhar

Chairman

#### M. G. Parameswaran

#### Vaijanath Kulkarni

### Risk Management

### Committee

#### Vaijanath Kulkarni

Chairman & Chief Risk Officer

#### K. Natarajan

#### Subodh Nadkarni

#### Sesha Samba Murty Garikiparthi

#### Abhijit Damle

## COMPANY SECRETARY & COMPLIANCE OFFICER

### Niranjan Ketkar

## CHIEF FINANCIAL OFFICER

### Abhijit Damle

## REGISTRAR & TRANSFER AGENT

Link Intime India Pvt. Ltd.

C 101, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai 400 083.

Phone: 022 – 4918 6000

e-mail: rnt.helpdesk@linkintime.co.in

## REGISTERED OFFICE

C-49/2, TTC Industrial Area, Pawne,  
Navi Mumbai – 400 703, Maharashtra  
CIN: L39877MH1986PLC039877

## ADDRESS FOR

## CORRESPONDENCE

Rupa Solitaire, Ground Floor,  
Unit no. 8, 12A and 14  
Millenium Business Park,  
Mahape, Navi Mumbai - 400 710,  
Maharashtra  
Phone: 022 - 27616666 / 33063700  
e-mail: investorservices@galaxysurfactants.com

## AUDITORS

Deloitte Haskins & Sells LLP

## PLANTS

### Taloja

Plot No. V-23, M.I.D.C.  
Taloja, Panvel, Dist. Raigad,  
Pin - 410 208, Maharashtra.  
Plot No. 1, Village Chal, CIDCO,  
Near M.I.D.C. Taloja, Panvel Dist.  
Raigad, Pin - 410 208, Maharashtra.

### Jhagadia

Plot No. 892, Jhagadia  
Industrial Estate,  
Taluka - Jhagadia via Ankleshwar,  
Dist. Bharuch,  
Pin - 393 110, Gujarat

### Tarapur

Plot No. W-67 (B); G-59,  
M-3 M.I.D.C. Tarapur,  
Post Boisar - 401 506, Maharashtra.

## BANKERS

HDFC Bank Limited  
Kotak Mahindra Bank Limited  
IDBI Bank Limited  
The Saraswat Co-operative Bank Limited  
Standard Chartered Bank  
Citi Bank NA  
The Hongkong & Shanghai Banking  
Corporation Limited

# MD's Message

Vision without Action is merely a Dream. Action without Vision just passes the Time. Vision with Action can change the World."

- Joel A. Barker

## Dear Shareholders,

A vision envisioned by five friends in 1980, put into action over the last four and a half decades by high performing teams and individuals is the Galaxy we know of today.

It is the sheer will, vigour, determination and clarity exhibited by our founding members and all Galaxites, past and present, that has ensured we get here. As I take over the mantle from our founding promoter and managing director, Mr. U. Shekhar, I firstly would like to express my gratitude and thank him and the fellow founders for the organisation they have built today.

An organisation built on the principles of the 4C's – Character, Competence, Competitiveness and Comfort governed by the six pillars which are:

- **Innovate to Lead**
- **Talent to Outlast**
- **Risk to Grow**
- **Make Customers Win**
- **Envision to Excel**
- **Ethics, Sustainability and Governance**

has not only stood the test of time, but grown leaps and bounds ethically, sustainably and responsibly.

As we move ahead, we, at Galaxy, remain fully committed towards upholding the culture, ethos and values imbibed within us by our founding members.

Before we dwell into the business performance for FY 24, I also would like to thank my teams for exhibiting tremendous resilience, determination and resolve despite the multifold challenges emerging due to the volatile global environment.



As we emerge from the aftermath of the pandemic, restoration was the buzzword at the start of 2023. While the Russia-Ukraine war did trigger a wave of inflation and macro-instability across countries; slowdown in demand eventually brought back inflation to manageable levels. Though this did not revive demand immediately, the seeds for the same were sown in the first half of calendar year 2023.

### The business performance for 2023-24 can be divided into two parts

- **Part I** – Driven by India which on the back of stable macros, continued its upward march registering yet another year of double-digit volume growth. It gives me immense pleasure to share with you all that while the 4 years prior to the pandemic saw volume growth rate of less than 7%, the 4 years after that have seen a volume growth of 10%. We strongly believe that this is just the beginning. With the 3A's of Accessibility, Affordability and Awareness; the Indian Home and Personal Care consumption story has just begun its new leg of growth.
- **Part II** – The International Markets while remained stagnant in the 1<sup>st</sup> half of the year, the 2<sup>nd</sup> half saw a strong comeback. As the destocking cycle came to an end in the developed markets and as inflation cooled off, consumption driven by the mass and masstige categories made a strong comeback. We see this recovery unfolding and sustaining in FY 25. As normalisation returns, with new launches picking up, the specialty portfolio should do well in the coming years.

While FY 24 saw the normalisation of volumes, FY 25 should see your Company regaining its profitability trajectory. While

Galaxy has always believed in the Long Term. I take this opportunity now to share with you certain highlights and actions taken by your company which shall showcase its long-term commitment to its customers, growth and society at large".

multiple macros as well as supply chain issues along with an unfavourable mix did impact our profitability trajectory vis-à-vis FY 23; we believe the structural story remains intact.

Galaxy has always believed in the Long Term. I take this opportunity now to share with you certain highlights and actions taken by your Company which shall showcase its long-term commitment to its customers, growth and society at large.

### Highlights: Awards won in 2023-24

1. Home Care Clean Future Award 2023 was awarded by Unilever for our groundbreaking products and technological innovation.
2. External Business Partner Excellence Award was awarded by P&G for Galaxy's operational, innovation, commercial and relationship performance.
3. Supplier Resilience Award 2023 awarded by Henkel for demonstrating supply resilience despite the multifold challenges.

With great satisfaction, humbleness and sense of prestige as well as responsibility, I would like to share with you all that we are the only company globally that has won such prestigious awards at the same time from all major Home and Personal Care Giants. It is a testimony to the capabilities, focus and relationship quotient we have built over the last many decades with all our customers.

### Galaxy as a Responsible Citizen – Sustainability, Safety and CSR

As it is said, with progress comes greater responsibility and as we march towards greater heights, being responsible towards our society, our environment and our people remain the most important prerogatives for your Company.

Multiple steps were taken by your Company to ensure a safer work environment for its people, safer planet for our future generations and better living conditions for society at large.

Starting with the switch to Natural Gas replacing the traditional fossil fuels at all our plants in lieu of our commitment to achieve 100% waste circularity by 2030 and zero waste to incineration by 2025-26; your Company through multiple initiatives such as WESAP (Waste Elimination Suggestion Award Program) has demonstrated its unwavering commitment to the Planet. Specifically as far as 2023-24 is concerned, your Company:

- Recycled 3,755 MT of Waste and Re-used 1,630 MT
- 18% of Water consumed was recycled
- 14% of our Global operations run-on Renewable Energy and
- 73,648 Trees were planted as part of our CSR Projects

Consistency demonstrated over the years has ensured today your company is not only recognised by the regulatory authorities but by the stakeholders at large.

## Awards

- Ecovadis Gold Medal Award for Environment, Labour Practices & Human Rights, Ethics and Sustainable Procurement
- Best Sustainability Award by Cavin Kare (Customer)
- National Energy Leader Certification and Excellence in Energy Management Award by CII
- Best Water Company of the Year Award at the Indian Sustainability Conclave along with the Best Green 4 R's Award and Best Sustainable Performance in Renewable Energy Award were some of the major highlights for this year

While Awards are a good measure of progress, we sincerely believe there is lot to be done to ensure a safer planet for our future generations.

Our people are our Driving Force. They give us the strength, the vigour and the determination to achieve more. Ensuring a safer and vibrant working environment has been a key objective since inception. This year saw your Company amend its Values for the first time since inception to Incorporate "Safety First" as the Topmost Value which your Company seeks to comply with at all points of time. While Safety has always been part of our

As Generative AI and Digitisation takes over, automation, interconnected supply chains and analytics will drive the next leg of growth. Businesses that miss this bus, may miss the cycle of sustainable growth. To ensure the same, your Company initiated the Process for Implementation of Industry 4.0. This will not only ensure we gain an edge over competition but also ensure we match up to the global standards".

core; given what is happening across the chemical industries; it cannot be emphasised more. Multiple initiatives were taken by your company to further strengthen its Core – Safety.

## Mission Shunya: Zero Harm Initiative

FY 24 marked a significant step forward in our commitment to our safety practices with the launch of Mission Shunya: A Zero Harm Initiative. This initiative represents our unwavering commitment to enhancing safety standards and optimising risk management protocols to ensure zero harm to people, the environment, and infrastructure. This includes conducting regular safety audits, implementing advanced risk assessment procedures, and investing in state-of-the-art safety equipment. Recognising that safety is an ongoing journey, we proactively identify and mitigate potential risks across our operations to prevent accidents before they occur. Through Mission Shunya, we are dedicated to creating a work environment where every individual feels safe and valued. This initiative not only safeguards our employees but also contributes to a more sustainable future by minimising environmental impact and infrastructure damage.

While Mission Shunya was launched this year, multiple initiatives launched previously like Project Abhayatam have not only improved the safety culture but ensured minimisation of minor incidents. No major safety incident occurred during the year 2023-24.

## It is this vigour and focus demonstrated by your Company with respect to Safety that has ensured awards and recognitions at multiple forums like:

- Gold Award by CII at the National 3M Competition for Zero Incidents and Safety Improvement
- International Certification for IGC-NEBOSH

Your Company Strongly believes a thriving society is a pre-requisite for a thriving country and a thriving country ensures a conducive environment for businesses. Therefore, it is critical for businesses to ensure responsible growth and development. To ensure the same as part of its CSR activities, your Company undertook multiple initiatives in various fields which favourably impacted close to 4.5 lakh people. Broadly highlighting few of our initiatives:

- Aarogya Vardheeni (Health & Hygiene)
- Gyan Sanjeevani (Education)
- Samajeek Utthaan (Community & Rural Development)
- Paryavaran Suraksha (Environment Protection)
- Stree Unnati (Women Empowerment)
- Aapda Rahat (Calamity Relief)

## Ensuring Sustainable Growth – Investing for the Future

As part of its Growth strategy, your Company believes Intellect (People), Innovation and Interconnectivity (Digitisation) will play a major role going ahead. While these have contributed significantly over the last many decades; as Galaxy embarks to greater heights, adequate investments and capabilities building will hold the key.

### Digitisation (Interconnectivity)

As Generative AI and Digitisation takes over, automation, interconnected supply chains and analytics will drive the next leg of growth. Businesses that miss this bus, may miss the cycle of sustainable growth. To ensure the same, your Company initiated the Process for Implementation of Industry 4.0. This will not only ensure we gain an edge over competition but also ensure we match up of the global standards. Multiple digitisation initiatives in the areas of supply chain management, lead management and cost analytics were undertaken this year.

### Innovation

Innovation forms the bedrock for your Company. Pathbreaking products and cutting-edge technologies have played a major role in ensuring sustainable growth, especially in the last two decades. As the world moves towards greener and sustainable products, your Company has been investing heavily in these areas. Starting with the multi-purpose plant which we set up in 2022-23 for the introduction of new products and portfolios.

- Galseer® DermaGreen (100% Natural Oil Soluble Surfactant) – Galaxy's pathbreaking product launched for the emerging and growing shower oils category recently won the best ingredient award under the Functional Ingredients category at Incosmetics Global – The premier forum for Home and Personal Care Ingredients
- Galseer® Tresscon and Galseer® Flexcon launched for the Hair Care segment have been getting good response. These are sustainable natural solutions designed for cleansing and conditioning segments. As normalisation makes a comeback and new launches pick up in the developed markets, we strongly believe our new innovations like Tresscon, Flexcon and DermaGreen will drive our next leg of growth

### People (Intellect)

The achievements of an organisation are the result of the combined efforts of each and every individual. At Galaxy, we have always believed high performing teams and strong succession plans lay the foundations for sustainable growth. With this belief, your Company in FY 24, undertook numerous programmes to cultivate a thriving work environment while fostering a strong sense of social responsibility. Notably, we have been certified as a 'Great Place to Work', underscoring our commitment to creating an inclusive and supportive workplace where employees feel valued and empowered. As we move forward, investing in people by providing bigger and better opportunities, commensurate rewards and conducive work environments fostering individual growth and collective impacts will drive sustainable growth.

### Onwards and Upwards

At Galaxy, we have always believed in the long term. As the baton gets handed over, values imbibed, growth levers created and talent built over the years will ensure decades of sustainable growth for your company. While the last few years saw sluggish volume growth; normalisation of volumes growth in FY 24 was the biggest positive. Going ahead, as developed markets make a comeback and as India marches ahead, premium specialties and high-end performance surfactants have huge headroom for growth. With strong focus on the Home and Personal Care space, strong stakeholder relationships forged over decades and experience built across cycles, decades of sustainable and profitable growth await us.

Regards,

**K. Natarajan**

Managing Director

An organisation, no matter how well designed, is only good as the people who live and work in it."

- Dee Hock

# Embracing the Journey of Innovation, Reliability, Sustainability





Innovation, Reliability, and Sustainability are the principles that form the bedrock of our journey towards excellence. Innovation drives us to explore new horizons, pushing boundaries to create solutions that meet the evolving needs of our industry. Reliability is the cornerstone of our partnerships, fostering trust and confidence among our customers, partners, and stakeholders. Sustainability is not just a goal; it's our commitment to nurturing our planet and enriching the communities we serve. Together, these principles shape our actions, inspire our innovations, and define our legacy as a pioneer in the home and personal care industry.





# INNOVATIONS FOR A BETTER TOMORROW

01

- 1.1 What's new?
- 1.2 A Legacy of Innovation
- 1.3 Celebrating Innovation Excellence



# What's New?



At Galaxy, innovation is at the core of our mission to drive progress and create sustainable solutions for the future. Over the past financial year, our relentless pursuit of excellence has led to significant breakthroughs and remarkable achievements in product development, intellectual property, and industry recognition. By continually pushing

the boundaries of science and technology, we strive to meet the ever-evolving needs of our global customers and pave the way for a greener, more efficient, and more sustainable tomorrow. In this section, we highlight some of the key innovations and milestones that have defined our journey over the past year.

In an ever-evolving market landscape, consumers are increasingly seeking products that align with their specific needs and preferences. The personal and home care industry is also witnessing a paradigm shift, driven by a growing awareness of environmental impact and a demand for gentle yet effective solutions. At Galaxy, we are attuned to these trends and committed to meeting the diverse needs of our global customer base through continuous innovation and product development.

This financial year, Galaxy Surfactants has introduced a range of groundbreaking products designed to set new standards in performance and sustainability. Our commitment to innovation has resulted in the launch of several key products that cater to the evolving demands of the market.





## Galaxy Hearth® Fabcon

### Next-gen fabric care

The demand for safer, more effective, and environmental-friendly products for fabric care is ever-increasing. Traditional fabric softeners, which use Ester Quats, often face challenges such as thermo-stability issues, yellowing, build-up, and complex manufacturing process. To address these concerns, Galaxy Surfactants introduced Galaxy Hearth® Fabcon, an innovative, ester-free fabric conditioning ingredient that prioritises safety for both people and the planet.



Galaxy Hearth® Fabcon stands out with its unique Di-amido Quat composition, offering multiple benefits. It effectively prevents build-up over repeated use, avoids yellowing, and provides anti-static and anti-microbial properties, all the while retaining fragrance for extended periods. Hearth® Fabcon extends its conditioning benefits to 2-in-1 laundry liquids, fabric sanitisers, and other fabric care applications. Emphasising sustainability, Hearth® Fabcon is fully biodegradable with more than 75% natural content and ensures process safety with its completely solvent-free synthesis. With Hearth® Fabcon, we are setting new standards in fabric care, delivering exceptional performance while prioritising safety and sustainability.



## Galseer® Flexcon

*Conditioning Simplified!*

In today's fast-paced world, achieving effortlessly beautiful hair is a universal desire. Whether it's combating frizz, restoring shine, or maintaining vibrant colour, consumers seek hair conditioning products that deliver on their promises. Recognising the essential role conditioners play in maintaining the health and vitality of our hair, Galaxy Surfactants introduced **Galseer® Flexcon** – an innovative conditioning system designed to revolutionise the hair care landscape.



With consumer demands evolving towards eco-friendly and multifunctional products, Galseer® Flexcon emerges as a solution that perfectly blends performance, innovation and sustainability. From replenishing moisture, enhancing hair sensory to UV-protection, Galseer® Flexcon empowers consumers to care for their hair in ways that align with their unique lifestyles. By offering a waterless alternative and promoting versatile formulations, Galseer® Flexcon not only minimises environmental impact but also empowers consumers to make conscious choices in their hair care routine. With Galseer® Flexcon, Galaxy continues to redefine hair care, offering a holistic solution that nurtures hair with care, confidence, and conscience.



## Galseer® DermaGreen

*100% Green oil-soluble cleanser*

Today's consumers are increasingly aware of their unique skin types and concerns. For those with sensitive and compromised skin, finding products that deliver results without causing irritation can be particularly challenging. Oil-based cleansers are considered ideal for such skin types as they also moisturise the skin by occlusion. However, traditional cleansing systems for shower oils often contain harmful ingredients that can irritate the skin and potentially cause long-term damage. Addressing these issues, Galaxy Surfactants introduced Galseer® DermaGreen, a first-of-its-kind, pre-biotic and 100% green oil-soluble cleanser and skincare ingredient.



Designed with utmost care and consideration for those with dry, sensitive, and highly irritated skin, Galseer® DermaGreen is hypoallergenic and dermatologically tested, providing assurance to those seeking gentle yet effective skincare solutions. Free from toxic and eco-damaging substances, this innovative cleanser is manufactured using a green manufacturing process, ensuring a sustainable and environmentally friendly approach to skincare. Its versatility allows it to be used in a wide range of personal care products, including shower oils, bath oils, make-up removers, and facial cleansing oils. Galseer® DermaGreen embodies Galaxy Surfactants' commitment to developing skin-friendly and eco-conscious solutions for today's discerning consumers.



## GalMOL

### Range of Emollients

Consumer are getting more and more aware of the skin health and moisturisation. The quest for effective and sustainable skin hydration products has led to the development of emollients that enhance the skin's moisture barrier by protecting the water loss from skin. Identifying this market need, Galaxy Surfactants introduced the GalMOL Range of Emollients which are designed to provide superior hydration and a luxurious sensory experience.



The GalMOL range is a new addition to Galaxy's offerings for leave-on beauty and personal care products, such as creams, lotions, and serums. These emollients excel at improving formulation texture, providing a smooth and enhanced skin feel. GalMOL range include multi-functional products which can be utilised to disperse pigments or crystalline UV filters, adding versatility to their application. With excellent spreadability, skin absorption, and a non-greasy finish, GalMOL emollients are ideal for a wide array of personal care applications. This range allows formulators to meet consumer demands for high performance and exceptional beauty & personal care products. With multiple new-age offerings, Galaxy continues to deliver innovative and effective solutions for the personal & home care industry.



# A Legacy of Innovation

Our commitment to innovation is underscored by our robust intellectual property portfolio. In FY 24, we secured 6 new patents for our groundbreaking technologies.

Since 2000, a total of 96 patents have been granted to Galaxy. Currently, 21 patents in USA, 2 patents each in Japan, Brazil and Russia, 4 in the European Union, 3 in China and 27 patents

in India are being maintained by us. We have applied for an aggregate of 21 patents globally.

Through our unwavering commitment to innovation, Galaxy continues to lead the way in developing transformative solutions that drive progress and create value for our customers, stakeholders, and the home and personal care industry.





## Celebrating Innovation Excellence

In our pursuit of excellence and sustainable innovation, Galaxy has consistently aimed to push the boundaries of what's possible in personal care solutions. This year, our efforts were rewarded on a global stage at in-cosmetics Global 2024, where we were honoured with the **Innovation Zone Best Ingredient Award - Silver** for our pioneering product, **Galseer® DermaGreen**. This 100% green oil-soluble cleanser sets a new benchmark in eco-friendly, safe personal care, offering superior cleansing properties while adhering to environmental standards.



# STANDING FIRM ON TRUST AND RELIABILITY

# 02

2.1 Partnering for Progress

2.2 Global Engagements:  
Showcasing Excellence at  
Trade Shows

2.3 Educating Consumers:  
Bridging Gaps with Digital  
Initiatives







Reliability serves as the cornerstone of our partnerships at Galaxy Surfactants. In an industry where trust is paramount, we remain steadfast in our commitment to upholding the highest standards of trustworthiness. Our commitment extends beyond product excellence to encompass all-round customer support, including formulation assistance, customisation support, and regulatory and technical guidance. Through stringent quality control measures and robust supply chain management, we ensure that our customers can rely on us, day in and day out, to deliver excellence at every step. This unwavering dedication to trust and reliability forms the foundation of our enduring partnerships.

This section provides insights into our dedication to maintaining superior quality, consistency, and customer delight. From the inspiring narratives of customer success and resilience to our active participation in globally renowned trade shows and consumer-centric knowledge-sharing digital campaigns, we demonstrate how every facet of our operations is dedicated to fostering trust and reliability.



## Partnering for Progress

### Stories of Trust & Reliability

Our commitment to reliability extends beyond delivering high-quality products; it encompasses the entire spectrum of customer support, ensuring that our partners can navigate challenges and achieve their business objectives with confidence. We hereby share some customer stories that illustrate how our steadfast commitment to trust, and reliability has been instrumental in driving our customers' success. Through these narratives, we demonstrate the true spirit of our partnership: working hand-in-hand with our customers to foster mutual growth and success.

## Ensuring Continuity Amidst Crisis

In mid-November of FY 24, the global supply chain encountered a significant disruption as Houthi rebels in Yemen launched attacks on commercial vessels navigating through Red Sea. This disruption led to the cancellation of major shipping routes and to divert from the Suez Canal to the longer route around the Cape of Good Hope, extending transit times by nearly two weeks. One of our key customers, based in Mexico, was faced with the risk of production delays just as they were gearing up for a major product launch.

Galaxy responded swiftly and effectively to this crisis. By exploring alternative routes and changing the port of entry to Manzanillo, Mexico, via the Pacific Ocean, we ensured that the supply chain remained uninterrupted. Throughout this process, we maintained constant communication with the customer, providing regular updates and transparency. This collaborative effort enabled us to deliver materials on time, allowing our customer to execute their launch campaign seamlessly. This incident not only highlighted

our logistical prowess but also reinforced our dedication for reliability and commitment to customer success, ensuring that we remain a trusted partner even in times of crisis.



## Catalysing Growth of D2C Brands

In the rapidly evolving D2C market, brands face numerous challenges in product development, particularly for rinse-off products. These challenges often include complex formulation processes, the need for customisation to meet diverse consumer preferences, and the necessity for quick market launches. Additionally, maintaining product efficacy while meeting sustainability targets is a substantial challenge for brands striving to align with environmentally conscious consumers.

Many of our D2C personal care customers struggled to convert their innovative ideas into market-ready products while adhering to sustainability goals. Amidst these challenges, Galaxy provided steadfast support every step of the way by providing a base for formulations with our high-quality ingredients and tailored

solutions to simplify the product development process. This collaborative effort not only helped our partners expedite their market launches but also enabled them to align with the trends of safe and sustainable products.

Galaxy's exceptional formulation support and rapid product development capabilities have been instrumental in transforming these brands' ideas into successful market offerings. Our agile and reliable supply chain has been pivotal in meeting the constant demands of D2C brands for raw materials, ensuring they can continue to serve the market seamlessly. Today, these brands exemplify the strength of partnership and innovation, with Galaxy's solutions driving both product excellence and sustainable practices in the highly competitive markets.



## Global Engagements:

### Showcasing Excellence at Trade Shows

Our presence at trade shows across the globe underscores our commitment to connecting with customers, sharing industry insights, and seizing business opportunities. These events serve as vital platforms for showcasing our innovative products, connecting with industry leaders, and staying abreast of global market trends.

At Cosmohome Tech Delhi, we presented our 360-degree solutions for the Indian market. During in-cosmetics Bangkok,

we showcased our latest innovations and sustainable solutions tailored for the Asian market. At in-cosmetics Paris, we engaged with a diverse international audience, reinforcing our global leadership in the personal care industry. By participating in trade shows across diverse regions, we reaffirm our dedication to reliability, fostering strong relationships, and ensuring customer success within the personal and home care industry.



# Educating Consumers:

## Bridging Gaps with Digital Initiatives

In today's digital era, leveraging online platforms to engage and educate our audience is crucial for maintaining transparency and fostering informed consumer choices. In FY 24, Galaxy Surfactants strategically utilised digital space to share insights, spread awareness, highlight innovations, and promote a deeper understanding of the home and personal care industry.

One of our standout initiatives this year was the "Formulate with FormuMate" campaign. Through this initiative, we delved into the science of daily-use home and personal care products, explaining what goes into them and highlighting the safe ingredients for both skin and the environment. By presenting intriguing facts and in-depth knowledge, we educated consumers to understand the benefits of our innovative ingredients and the formulations behind everyday products.



Another impactful campaign was "Gems of Galaxy", which focussed on our exceptional ingredients and innovations. Each month, we shone a spotlight on a specialty product, delving into its features, benefits, and applications. Through this initiative, we aimed to enrich customer understanding of our product offerings, thereby fostering increased brand awareness. These digital campaigns not only promoted our products but also reinforced our commitment to reliability throughout the year.





# SUSTAINABILITY

## - A WAY OF LIFE

03

- 3.1 People
- 3.2 Planet
- 3.3 Partnership
- 3.4 Profit



Sustainability stands as the cornerstone of Galaxy's foundation, reflecting our commitment to environmental stewardship and social responsibility. Our commitment is evidenced through comprehensive initiatives aimed at reducing our ecological footprint, promoting sustainable practices, and fostering a culture of innovation that aligns with the global shift towards a greener future. By integrating sustainability into every aspect of our operations - from sourcing raw materials to manufacturing processes and product development - we address pressing environmental challenges while driving progress towards a more sustainable and equitable world.

We drive sustainable value creation through four key pillars: People, Planet, Profit, and Partnerships. This holistic approach ensures a focus on the well-being of our employees, environmental responsibility, financial success, and collaborative partnerships. In this section, we'll delve deeper into each pillar, showcasing our sustainable initiatives in FY 24.





## People

At Galaxy, we believe a successful company thrives not just through its employees' talent, but also through their collective commitment to a better future. This is why our first pillar, People, goes beyond traditional workplace initiatives. By fostering a culture that values both individual growth and collective impact, we invest in our people, who in turn drive our success and create a sustainable future.

In FY 24, we undertook numerous programmes to cultivate a thriving work environment while fostering a strong sense of social responsibility. Notably, we have been certified as a 'Great Place to Work', underscoring our commitment to creating an inclusive and supportive workplace where employees feel valued and empowered.



## Diversity that Drives Success

At Galaxy, fostering an inclusive workplace where equal opportunities and diversity thrive is a top priority. We are committed to recruiting the best talent, irrespective of gender, ethnicity, or other distinguishing factors, to ensure a dynamic and innovative workforce. Our policies explicitly emphasise our dedication to inclusivity, recognising that a diverse environment enhances productivity and attracts top-tier talent.

We rigorously enforce principles of equality and actively work to eliminate gender-based discrimination within our organisation.



Aligned with the "Sustainable Development Goal 5", we support global initiatives such as the Valuable 500, demonstrating our commitment to advancing diversity and inclusion. As part of our ongoing

efforts, we have set a goal to significantly increase female representation in our workforce by 2025, reflecting our belief in the power of diverse perspectives in driving organisational success.

## Safety, Health & Well-being

At Galaxy, the safety, health, and well-being of our employees are paramount. We continuously invest in resources and infrastructure to uphold our Safety, Health, and Environment (SHE) standards, aiming to eliminate hazards and mitigate risks within our

operations. Our commitment aligns with the Responsible Care Global Charter, emphasising safety across all aspects of our business.

Through our Behaviour-Based Safety (BBS) program, we empower employees to actively identify and address unsafe actions and conditions, significantly reducing the chances of injuries.

Our comprehensive safety initiatives encompass Safety Month celebrations, thorough risk assessments, and regular audits to ensure compliance with regulations. These efforts reflect our commitment to creating a safe and healthy work environment for all members of the Galaxy family.



## Mission Shunya: A Zero Harm Initiative

FY 24 marked a significant step forward in our commitment to our safety practices with the launch of Mission Shunya: A Zero Harm Initiative. This initiative represents our unwavering commitment to enhancing safety standards and optimising risk management protocols to ensure zero harm to people, the environment and infrastructure.

Mission Shunya signifies a cultural transformation within Galaxy Surfactants, embedding safety as a core value at every organisational level. We are continuously reviewing and revising our safety protocols to ensure they meet the highest industry standards. This includes conducting regular safety audits,

implementing advanced risk assessment procedures, and investing in state-of-the-art safety equipment. Recognising that safety is an ongoing journey, we proactively identify and mitigate potential risks across our operations to prevent accidents. Through Mission Shunya, we are dedicated towards creating a work

environment where every individual feels safe and valued. This initiative not only safeguards our employees but also contributes to a more sustainable future by minimising environmental impact and infrastructure damage.



## Beyond Benefits: Delivering Social Impact

At Galaxy, we recognise that our success is intricately linked to the well-being of the communities in which we operate. This commitment to corporate social responsibility (CSR) is a fundamental aspect of our "People" pillar. We translate this commitment into meaningful action through a multifaceted approach that focusses on six key CSR verticals. Throughout this section, we'll explore each vertical, showcasing the key initiatives undertaken in FY 24 and highlighting the measurable impact on our communities.





**1. Aarogya Vardheeni (Health & Hygiene)**

- Distribution of 684 maternal & child health kits to pregnant women & 60 nutrition kits to HIV infected children in Bharuch, Gujarat
- 6 Blood Donation camps conducted throughout the year collecting 438 blood units
- Medical & Nutritional support to 25 orphan children for entire year in Navi Mumbai, Maharashtra
- And many more...

**71,864**

Cumulative Beneficiaries



**2. Gyan Sanjeevani (Education)**

- Distribution of ~20,750 notebooks to school students near our factory operations
- Continued support to Vocational training centre providing skills in beautician, BPO and nursing at Slums in Navi Mumbai, Maharashtra
- Construction of 7 New Classrooms at a Village School in Palghar, Maharashtra (The project is expected to be completed in 2024-25)
- And many more...

**9,661**

Cumulative Beneficiaries



**3. Samajeek Utthaan (Community & Rural Development)**

- Infrastructure Development for Mentally Challenged Children's School in Navi Mumbai, Maharashtra
- Construction of overhead water tank of 80,000 Litres Capacity in a village of Jhagadia Town, Bharuch, Gujarat
- Construction of Underground Water Sump of 77,000 Litres Capacity in Kumbhavli Village, Palghar, Maharashtra (The project is expected to be completed in 2024-25)
- And many more...

**3,13,195**

Cumulative Beneficiaries



**4. Paryavaran Suraksha (Environment Protection)**

- Donation of 2 Waste Collection Vans to a recycling organisation in Mumbai, Maharashtra
- Feedstock support for abandoned cattle at Erode, Tamilnadu
- Plantation of 3,000 Saplings at Palghar District Collector Office, Maharashtra
- And many more...

**94,281**

Cumulative Beneficiaries



**5. Stree Unnati (Women Empowerment)**

- Menstrual Hygiene Sessions on International Women Day at villages nearby our operations in Gujarat and Maharashtra
- Skill Development Sessions for Tribal Women in Jhagadia, Bharuch, Gujarat
- Continued support to Women self-help groups of Waste Pickers in Navi Mumbai, Maharashtra

**1,210**

Cumulative Beneficiaries



**6. Aapda Rahat (Calamity Relief)**

- Distribution of Food & Ration kits to Flood Affected Victims in Ankleshwar & Bharuch, Gujarat

**400**

Cumulative Beneficiaries

## Planet

The planet pillar represents our unwavering commitment to environmental stewardship and our relentless pursuit of reducing our ecological footprint. Our initiatives span across various domains, including energy conservation, waste management, and sustainable sourcing, all aimed at protecting and preserving the environment for future generations. By integrating sustainability into every facet of our operations, we strive to minimise waste, conserve natural resources, and promote eco-friendly practices.

Through our Parivartan-WESAP (Waste Elimination Suggestion Award Program), we actively engage our operators in identifying and proposing waste reduction practices. Our dedication to the planet is reflected in our ambitious environmental goals and the tangible actions we take to achieve them. In this section, we will delve into the various initiatives and achievements that underline our commitment to creating a greener, more sustainable world.

### Net Zero: A Step Towards a Greener Future

Achieving net zero emissions is a critical component of our environmental sustainability efforts. As part of our commitment to reducing our carbon footprint, we have implemented comprehensive strategies aimed at minimising greenhouse gas emissions across all operations. Our approach includes enhancing energy efficiency, transitioning to renewable energy sources, and adopting innovative technologies that reduce emissions.

In FY 24, our strategic initiatives included the implementation of advanced technologies to reduce emissions, the adoption of renewable energy sources, and the optimisation of our production processes to be more energy-efficient.

### Ensuring Every Drop Counts

At Galaxy, water stewardship is a core component of our sustainability strategy. We recognise the critical importance of water as a finite resource and are dedicated to its responsible management. To ensure efficient water usage, we treat water before use and recycle it extensively. By employing tools like the Aqueduct Water Risk Map, we identify regions experiencing water stress and implement targeted strategies to reduce consumption and manage associated risks effectively. Our commitment extends beyond our immediate operations, as we continuously assess supplier compliance with our water management standards, ensuring a sustainable supply chain.

Our commitment to water stewardship is further exemplified by the operational practices at our manufacturing plants. In India, our plants function as Zero Liquid Discharge (ZLD) units, ensuring that no industrial wastewater is released into the environment. At our other locations, we ensure that treated effluents are discharged responsibly. We actively engage with global initiatives such as the Carbon Disclosure Project (CDP) to report our water usage comprehensively and transparently.

Through these efforts, we aim to mitigate risks associated with water scarcity and contribute to the sustainable management of this vital resource.

### Empowering Efficiency with Energy Management

Galaxy Surfactants demonstrates a steadfast commitment to energy management through the use of advanced energy management systems and renewable energy sources. Our dedicated Energy and Sustainability cells rigorously monitor our energy performance, ensuring alignment with our comprehensive energy policy. The ISO 50001:2018 certification of our Taloja unit underscores our commitment, resulting in notable reductions in energy consumption. By meticulously tracking overall energy metrics, leveraging renewable energy sources and optimising our energy consumption, we are paving the way for a cleaner, more sustainable future, reinforcing our role as a leader in environmental responsibility within the industry.



### Towards Waste-free Future

Galaxy acknowledges the vital role of waste management in safeguarding the environment and community welfare. Recognising the global challenges of climate change and biodiversity loss, we are committed to achieving 100% waste circularity by 2030 and "Zero waste to incineration" by 2025-26. Our comprehensive strategy follows the waste management hierarchy, emphasising prevention, reuse, recycling, and recovery. This approach is designed to minimise waste generation, maximise resource efficiency, and promote a circular economy, ensuring that waste materials are continuously cycled back into the production process rather than being discarded.

To support these ambitious goals, we have implemented a range of initiatives and programmes aimed at reducing waste at its source and enhancing our recycling efforts. By investing in innovative technologies and fostering a culture of sustainability among our employees, we strive to create a zero-waste environment. Through these efforts, Galaxy is not only reducing its environmental footprint but also contributing to broader sustainability goals, ultimately fostering a cleaner, more sustainable and resilient future for all.

## Partnership

Partnerships form a crucial pillar of our sustainability strategy, reflecting our belief in the power of collaboration to achieve mutual goals and drive industry-wide progress. At Galaxy, we understand that our success is interlinked with the success of our partners, suppliers, customers, and the broader community. By fostering strong, symbiotic relationships, we can amplify our impact and create shared value that benefits all stakeholders.

Our approach to partnerships is built on transparency, trust, and mutual respect. We work closely with our partners to co-develop innovative solutions, share best practices, and align our efforts towards common sustainability goals. From strategic alliances with suppliers to collaborative projects with customers, our commitment to partnership extends across the entire value chain.

### Consumer-centric approach

At Galaxy Surfactants, our consumer-centric approach underscores our dedication to understanding and meeting the needs of our customers. This philosophy is integral to our partnership pillar, ensuring that we remain aligned with evolving consumer preferences and market dynamics. We engage in continuous communication with our customers, seeking their feedback and insights to drive innovation and improve our product offerings. We prioritise creating tailored solutions that address specific consumer needs and collaborate closely with our customers to develop products that are not only effective but also align with current market trends and sustainability goals.

Through various platforms and initiatives, we share our expertise and industry knowledge with our customers, including technical support, formulation assistance, and providing valuable insights on emerging trends and technologies. Leveraging digital tools and platforms, we ensure seamless communication and collaboration with our customers through interactive campaigns, virtual workshops, and digital resources. We have established robust feedback systems that allow us to capture and respond to customer input promptly, helping us continuously refine our products and services to better serve our customers.

### Product sustainability and stewardship

At Galaxy Surfactants, product sustainability and stewardship are central to our operations, reflecting our commitment to creating environmentally friendly and socially responsible products. We prioritise the use of sustainable raw materials and innovative processes to reduce the environmental footprint of our products. We adhere to stringent safety and environmental guidelines, ensuring that our products are safe for consumers and the planet.

By implementing life cycle assessments, we evaluate the environmental impact of our products from inception to disposal, striving to minimise adverse effects at every stage. We also engage in transparent communication with stakeholders, providing clear and comprehensive information about the sustainability attributes of our products. By embedding sustainability into our product lifecycle, we not only contribute to a healthier environment but also enhance the overall value proposition for our customers and society at large.

## Profit

At Galaxy, profitability and sustainability go hand in hand. Our commitment to generating economic value is balanced by our dedication to ethical practices, innovation, and sustainable growth. This pillar underscores our focus on financial performance, market expansion, and strategic investments that drive both immediate and long-term value for our stakeholders. By integrating sustainability into our financial goals, we ensure that our growth supports environmental stewardship and social responsibility. With a strong global presence, including manufacturing facilities in India, Egypt and the USA, we leverage our extensive network to deliver high-quality, sustainable solutions to our customers worldwide. This global footprint not only enhances our market reach but also strengthens our supply chain resilience, ensuring we meet the demands of a dynamic market efficiently and effectively.

### Digitisation for Enhanced Efficiency

Recognising the transformative power of technology, Galaxy is actively pursuing digitalisation across all facets of our operations. This strategic shift has significantly enhanced our efficiency and accuracy in execution. A key initiative in our digital journey is the integration of all subsidiaries under a single ERP platform, streamlining workflows and enhancing collaboration. This unified approach allows us to swiftly adapt to market changes and maintain our leadership position in the industry. Alongside our digitalisation efforts, we prioritise data security by implementing robust infrastructure and partnering with technology experts to mitigate risks effectively.

### Innovation for a Competitive Edge

At Galaxy, innovation is a cornerstone of our profit pillar, driving our competitive edge in the personal and home care industries. We prioritise the continuous development of groundbreaking products and processes that address evolving market needs and consumer preferences. By investing heavily in research and development, we ensure that our offerings remain at the forefront of technological advancements. Our innovative approach enables us to create unique solutions that differentiate us from competitors, fostering growth and profitability in a dynamic marketplace.



# Awards & Accolades

Sr. No.	Awards Won	Awarded by	Product / Innovation / Purpose for which Award won
1	EcoVadis GOLD Medal	EcoVadis	For Environment, Labour Practices & Human Rights, Ethics, & Sustainable Procurement
2	Home Care Clean Future Award 2023	Unilever	Transforming industry for the better through ground-breaking product and technological innovation
3	External Business Partner Excellence Award 2023	Procter & Gamble	For operational, innovation, commercial and relationship performance
4	Supply Resilience Award 2023 Runner Up 2023	Henkel	Supply Resilience
5	Best Partnership Excellence Award	CavinKare	Annual Business Partner's Meet 2024
6	Best Sustainability Award	CavinKare	Annual Business Partner's Meet 2024
7	in-cosmetics Global Innovation Zone Best Ingredient Award 2024	in-cosmetics Global	Galseer DermaGreen - Functional Ingredient
8	National Energy Leader Certification & Excellent in Energy Management Award	CII	24 <sup>th</sup> National Award for Excellence in Energy Management
9	Gold Award – Muri Category	CII	National 3M Competition 2023 - Zero Incident & Safety Improvement
10	Gold Award – Innovative Category	CII	National Kaizen Competition 2023
11	Silver Award – Muri Category	CII	National 3M Competition 2023
12	Best Water Company of The Year Award	India Sustainability Conclave	The India Sustainability Conclave & Awards 2023
13	Best Sustainable Initiative to Improve Green Supply Chain Award	India Sustainability Conclave	The India Sustainability Conclave & Awards 2023
14	Best Green 4 R's (Reduce, Reuse, Recycling and Recovery) Award	India Sustainability Conclave	The India Sustainability Conclave & Awards 2023
15	Best Sustainable Performance in Renewable Energy Award	India Sustainability Conclave	The India Sustainability Conclave & Awards 2023
16	Certification of Appreciation	8 <sup>th</sup> ICSI CSR Excellence Awards	Persistent and Innovative Efforts in Promoting CSR



# Consolidated Financial Performance

## 5-YEAR TRACK RECORD

(₹ Cr.)

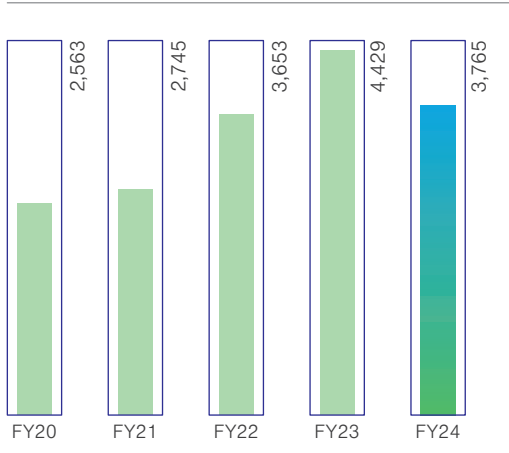
	FY 20	FY 21	FY 22	FY 23	FY 24
<b>Profit &amp; Loss Account</b>					
Sales	2563	2745	3653	4429	3765
Other Income	39	50	46	45	65
EBITDA	375	460	413	578	498
PBIT	313	386	342	495	398
Interest	24	13	13	22	22
Profit Before Taxation	289	372	329	473	375
Profit After Taxation	230	302	263	381	301
Basic Earnings Per Share of ₹10 (₹)	64.99	85.22	74.12	107.46	85.03
Total Dividend Per Share of ₹10 (₹)	14	18	18	22	22
<b>Balance Sheet</b>					
Fixed Assets	814	836	966	1063	1131
Net Current Assets	651	757	996	1113	1201
<b>Total^</b>	<b>1465</b>	<b>1592</b>	<b>1962</b>	<b>2176</b>	<b>2332</b>
Equity Capital	35	35	35	35	35
Reserves & Surplus	1032	1266	1539	1847	2144
Loan Funds	373	268	367	272	132
Deferred Tax Liability	24	23	21	22	21
<b>Total^</b>	<b>1465</b>	<b>1592</b>	<b>1962</b>	<b>2176</b>	<b>2332</b>
<b>Ratios</b>					
PBIT as % of Sales	12.2	14.1	9.4	11.2	10.6
Fixed Assets Turnover (No. of times)	1.9	1.9	2.3	2.5	1.9
PAT as % of Sales	9.0	11.0	7.2	8.6	8.0
Return on Capital Employed (%)	23.5	25.2	19.3	23.9	17.7
Return on Net Worth (%)	23.7	25.5	18.3	22.0	14.8
Net Current Assets to Sales (%)	25.4	27.6	27.3	25.1	31.9
Cash Generated from Operating Activities (₹ Cr.)	316	365	5	573	518

^ Figures rounded off to ₹ Crores

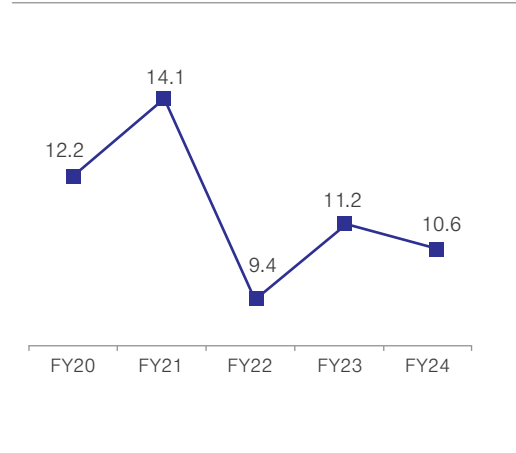


### CONSOLIDATED PERFORMANCE TRENDS

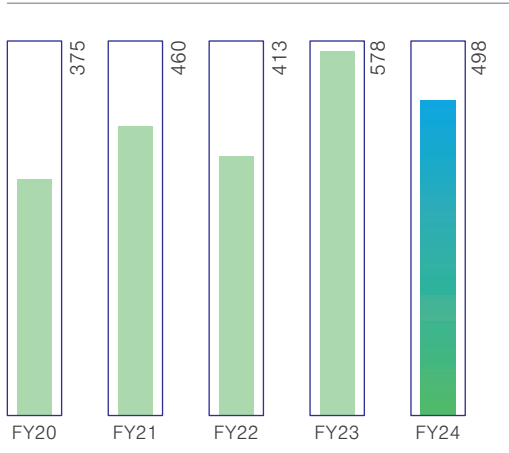
Sales (₹ Crores)



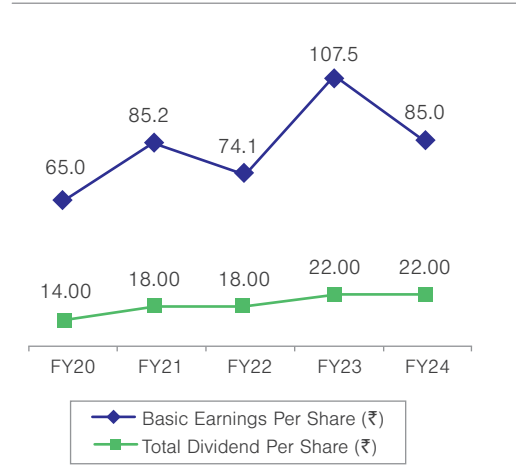
PBIT as % of Sales



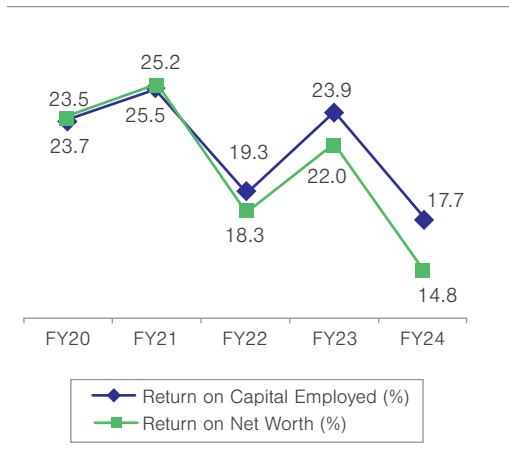
EBITDA (₹ Crores)



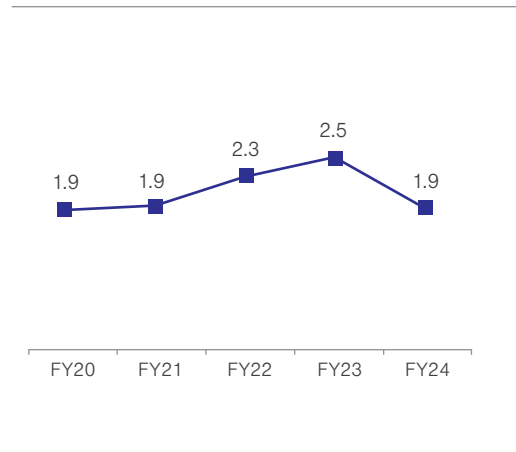
Basic Earnings & Total Dividend Per Share (₹)



Return on Capital Employed(%) / Return on Net Worth (%)



Gross Fixed Assets Turnover (No. of times)



# Board of Directors



## **M. G. PARAMESWARAN**

Chairman & Non-Executive  
Independent Director

Mr. Parameswaran is a Chemical Engineer from IIT Madras, with a PGDM from IIM Calcutta and a PhD from Mumbai University. He has been associated with the Company since 2005.



## **U. SHEKHAR**

Promoter, Non-Executive Director  
(Managing Director till  
February 17, 2024)

Mr. Shekhar is a Chemical Engineer and PGDM from IIM, Calcutta. He has been associated with the Company since 1986.



## **K. NATARAJAN**

Managing Director  
(w.e.f. February 18, 2024)

Mr. Natarajan is a CWA with Advanced Management Program from Harvard Business School and is associated with the Company since 1993.



## **VAIJANATH KULKARNI**

Executive Director & Chief  
Operating Officer

Mr. Kulkarni is a Chemical Engineer who has been appointed as a Whole-time Director w.e.f. October 16, 2021. He was Managing Director of Galaxy Chemicals (Egypt) S.A.E. prior to his appointment. He has done his Advanced Management Program from Harvard Business School and has been associated with the Company since 1995.



## **SUBODH NADKARNI**

Non-Executive Independent Director

Mr. Nadkarni is a qualified CA and CS with 40+ years of experience, including with Godrej and Sulzer. He has been associated with the Company since 2002.

**NANDITA GURJAR**

Non-Executive Independent Director

Ms. Gurjar has completed Master's in Psychology and Advanced Management Program from Harvard Business School. She brings over 20 years of experience in the field of IT and Human Resources and has been associated with the Company since 2015.

**G. RAMAKRISHNAN**

Promoter, Non-Executive Director

Mr. Ramakrishnan is a qualified CA, CWA and CS. He has been associated with the Company since 1986.

**SHASHIKANT SHANBHAG**

Promoter, Non-Executive Director

Mr. Shanbhag is a qualified CA and CWA. He has been associated with the Company since 1986.

**KANWAR BIR SINGH ANAND**

Non-Executive Independent Director

Mr. Anand is a Mechanical Engineer from IIT, Bombay and holds Post Graduate Diploma in Business Management from the IIM, Kolkata. He brings over 40+ years of experience in the field of marketing, manufacturing and general management.

**MADHAVAN HARIHARAN**Non-Executive Independent Director  
(w.e.f. May 23, 2023)

Mr. Madhavan is qualified CA, CS and CISA. He has also done multiple leadership programs at Harvard, Wharton and IIM. He brings over 30+ year of experience in the field of finance, governance and risk management.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS

Galaxy Surfactants Limited is one of the leading players in the world of Surfactants and Specialty Care Ingredients catering to the Home and Personal Care Industry. Our products can be broadly categorised in the following two categories:

- Performance Surfactants which comprise ingredients which form the core of any cleansing and foaming solution and
- Specialty Care Products which perform special functions when incorporated in any home and personal care formulation

From a humble beginning in 1980, today your company supplies to over 80 countries; has a product portfolio of 215+ products and caters to over 1,385 customers having manufacturing setups in India, Egypt and USA.

## GLOBAL ECONOMIC OVERVIEW

Global economy continues to present a mixed picture. Multiple factors like the on-going geopolitical conflicts, widespread elevation of debt, extreme weather conditions and elections in many parts of the world continue to contribute to the uncertainty of the Global Economic Outlook.

Global growth, estimated at 3.2% in 2023, is projected to continue at the same pace in 2024 and 2025. The pace of expansion is low by historical standards, owing to both near-term factors, such as still-high borrowing costs and withdrawal of fiscal support, and longer-term effects from the COVID-19 pandemic and Russia's invasion of Ukraine; weak growth in productivity; and increasing geoeconomic fragmentation.

Encouragingly, inflation has softened from the highs of the previous year and is expected to continue to moderate. Global headline inflation is expected to fall from an annual average of 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Easing inflation and macroeconomic stability are the pre-requisites for sustainable growth.

Risks to the global outlook are now broadly balanced. On the downside, new price spikes stemming from geo-political tensions, including those from the war in Ukraine and the conflict in Gaza and Israel, could, along with persistent core inflation where labour markets are still tight, raise interest rate expectations and reduce asset prices. High interest rates could have greater effects than envisaged as fixed rate mortgages reset and households contend with high debt, causing financial stress. In China, without a comprehensive response to the troubled property sector, growth could falter, hurting trading partners. Amid high government debt in many

economies, a disruptive turn to tax hikes and spending cuts could weaken activity, erode confidence, and sap support for reform. Geoeconomic fragmentation could intensify, with higher barriers to the flow of goods, capital, and people implying a supply-side slowdown. On the upside, looser fiscal policy than necessary could raise economic activity in the short term, although risking more costly-policy adjustment later. Artificial intelligence and stronger structural reforms than anticipated could spur productivity.

As the global economy approaches a soft landing, the near-term priority for central banks is to ensure that inflation touches down smoothly, by neither easing policies prematurely nor delaying too long and causing target undershoots. Near-term risks also stem from elongated supply chains mainly due to the ongoing Red Sea crisis and congestions at key ports. From a business context, inflationary pressures along with higher lead times arising from this, poses a risk to demand.

## THE INDIAN ECONOMY

India's GDP growth estimate for FY 24 has been revised upwards from 7.3% to 7.6% in the second advance estimates, highlighting the enduring strength of the Indian economy. India grew above 8% for three consecutive quarters, reaffirming her position as a standout performer amidst sluggish global growth trends.

India's external account is stable despite persistent geopolitical headwinds.

Retail inflation remained stable and within range for 6 consecutive months. Driven by strong domestic growth and benign global commodity prices, core inflation is declining continuously. Strong aggregate demand has stirred manufacturing and construction activities accompanying professional, financial and real estate services.

The end February 2024 release of the National Statistical Office ('NSO') surprised strongly on the upside. Real GDP expanded at a six-quarter high rate in Oct-Dec 2023, powered by strong momentum, robust indirect taxes and lower subsidies.

Steady consumption demand is backed by resilient urban demand conditions. The recovery in rural consumption demand is expected to be strengthened by the forecast of normal monsoon in FY 25. Strengthening of urban demand is evidenced by rising passenger vehicle sales, booming/increasing housing sales, higher domestic air passenger traffic, increased digital payments and improved consumer confidence. Domestic passenger vehicle sales have continued to increase, rising by 25.7% YOY in FY 25 (Apr-Feb).

High Frequency Indicators point towards continued verve in domestic demand conditions in Feb 2024.

Direct tax collections grew by 23.5% (YOY) during Apr-Jan 2024, with income tax and corporate tax growing at 27.3% and 20.1% respectively, reflecting increased compliance, higher advance tax collections and widening of tax base. Indirect tax collections grew 4.7% (YOY) with GST and Customs revenues growing 9% and 1% respectively. Overall, gross tax revenue grew by 14.5% over previous year led by robust growth in direct tax collections.

In March 2024, the HSBC India Manufacturing PMI surged to an impressive 59.2, a notable increase from the figure of 56.9 recorded in the previous month. This upswing was driven by robust demand marking the fastest growth in factory activity since Feb 2008. Notably, output and new orders experienced substantial growth, reaching the highest levels in nearly three and a half years.

India's inflation outlook for the upcoming months is positive. Core inflation is trending downwards, indicating a broad-based moderation in price pressures. On the external front, the narrowing merchandise trade deficit and rising net services receipts are expected to result in an improvement in the current account balance in FY 24.

Overall, India continues to be the fastest-growing major economy with positive assessments of the growth outlook for the current financial year, for India by international organisations and RBI.

## BUSINESS PERFORMANCE FY 24

After four years of flat volumes, this year saw your company register a 7.7% volume growth meeting the 6-8% guidance stated at the start of the year.

The EBITDA/MT at ₹ 20,019/MT too has come in within the guided range of ₹ 19,500 – 20,500/MT with Q-O-Q improvement starting from Q-2 FY 24. The change in product mix, reversal of one-time benefits realised in FY 23 saw the EBITDA/MT decline to ₹ 20,019/MT from ₹ 25,051/MT. While this may appear significant, it needs to be understood factoring in the 7.7% volume growth as well as the lower Export incentives realised at Egypt for this year. Structurally, the improving EBITDA/MT trajectory remains the key.

FY 18	FY 24	CAGR 2017-24
15,086	20,019	+4.8%

## Moving on to the Individual Markets

India continues to remain a bright spot for us registering a 11% growth in FY 24. While the momentum remains strong, rural recovery remains the key going ahead. Below average rainfall or slowdown in premiumisation remain the key risks.

Easing inflation, stabilising macros did help in recovery of mass segments in the AMET Market. While volume growth did decline by 1.5% for FY 24, this was primarily due to the adverse volumes hit we faced in January on account of the Red Sea escalation. Despite the elongated supply chain and Red Sea escalation, we strongly believe barring for any further escalation, easing inflationary pressure should bode well for demand.

ROW made a strong comeback in H-2 FY 24 registering a healthy 29% volume growth. This is a very positive sign as it implies the end of the destocking cycle and stabilisation of demand. Going ahead as demand stability returns, an uptick in premium specialties and restocking will be the next big triggers. Accelerated approvals for new products along with uptick in premium specialties will ensure improvement in EBITDA/MT going ahead. While volume growth stood at 13.3% for FY 24, going ahead for FY 25, we expect the mix to gravitate towards premium specialties leading to better profitability.

## Business Segments Performance

FY 24 saw your company register volume growth across regions, across segments. Driven by strong double-digit growth in India and recovery of global growth momentum especially from H-2 FY 24; both the segments registered healthy volume growth. Our Performance Surfactants segment driven by India clocked +4.1% volume growth whereas our Specialty Care segment on the back of pickup in masstige specialties registered +14.9% volume growth.

## CONSOLIDATED BUSINESS SUMMARY - FY 24

Area	FY 23	FY 24	Change
Total Volumes (MT)	230,785	248,618	+7.7%
Performance Surfactants	153,126	159,396	+4.1%
Specialty Care	77,659	89,222	+14.9%
India	103,788	115,250	+11.0%
AMET	71,059	69,992	-1.5%
ROW	55,938	63,376	+13.3%
EBITDA/MT (₹ /MT)	25,051	20,019	-20%
EBITDA	578	498	-14%
PAT (₹ Cr.)	381	301	-21%
Cashflow from Operation (₹ Cr.)	573	518	-9.5%
Debtors Turnover	7.0	6.2	-11.5%
Inventory Turnover	4.6	4.3	-6.1%
Interest Coverage Ratio	22.8	17.8	-22.1%
Current Ratio	2.4	2.8	19.8%
Debt Equity Ratio*	0.1	0.1	-58.2%
Operating Profit Margin (%)	11.2%	10.6%	-5.8%
Net Profit Margin (%)	8.6%	8.0%	-7.3%
ROCE*	23.9%	17.7%	-26.2%
RONW*	22.0%	14.8%	-32.7%

\* Better Debt Equity ratio due to repayment of borrowings

\* Lower due to lower profitability in current year

## TRENDS & OPPORTUNITIES AT PLAY – HOME AND PERSONAL CARE INDUSTRY

### India

- **Premiumisation** – Higher spending on premium beauty and personal care products as well as home care products (Liquid Detergents/Liquid Dishwashes/Premium Detergent Powders) bodes well for us. Enhanced expenditure on Home and Personal Care Products and Consumer Durables (Washing Machines and Dish Washers) along with greater awareness about sustainability, mildness and quality will further aid growth.
- **The ‘Aware and Informed Consumer’** – The median age of India’s population is 28.2 years. Today, at least 50% of India’s population has access to the Internet. These macro factors are important as today’s young Indian consumer has the 3As –
  - o Greater Accessibility to Home and Personal Care Products
  - o Greater Awareness about Quality and Sustainability of these Products
  - o Greater Affordability given the increase in number of products consumed per household when compared to the previous decade
- **Home and Personal Care Industry Composition** – Entry of New players, Private labels and D2C Brands gaining traction will be beneficial for both our segments. Improving penetration of niche categories will aid specialty growth and migration of consumers from mass to masstige and prestige categories through improved distribution channels will add further momentum.

### The Future – Decadal Opportunities that will ensure sustainable long-term growth for Performance Surfactants [Long-Term Outlook]

- **Migration** - Petrochemical Based Surfactants to Natural Oleo Chemical Based Surfactants for manufacturing Home Care Products.
- **Premiumisation** – Migration from Mass Powder detergents to Washing Machine based Powder and Liquid Detergents. Migration from Bars to Dishwashing Liquids.

- **Sustained Rise in Consumption** – Greater consumption per Household of Home and Personal Care products by members of different age groups. Greater access and penetration of emerging categories like Face Wash, Body Wash, Body Lotions, Washing and Dishwashing Liquids will further ensure sustained growth.

### The Future – Decadal Opportunities that will ensure sustainable long-term growth for Specialty Care Products [Long-Term Outlook]

- **Greater Affordability and Consumption** – India and AMET: Today specialty consumption in India and AMET is low compared to the developed countries. Uptick in per capita consumption driven by sustained growth will ensure greater discretionary spending thus driving demand for masstige and prestige products ensuring growth for our specialty care products.
- **Premiumisation and Greater Awareness** – Globally the demand for sustainable, mild, non-toxic, high quality and functional attribute-based products is rising. Consumers are not only opting for these but are also willing to pay more for these products. Your company has exclusively designed its specialty portfolio to cater to these needs.
- **D2C Brands, Private Labels and E-Commerce Channels** – The global emergence of Private labels, D2C Brands and E-Commerce players catering to niche categories will further drive penetration and demand for our specialty care products. The revival of Europe and Americas post the 2022-23 Inflation episode will act as the first trigger for pickup of our premium specialties going ahead.

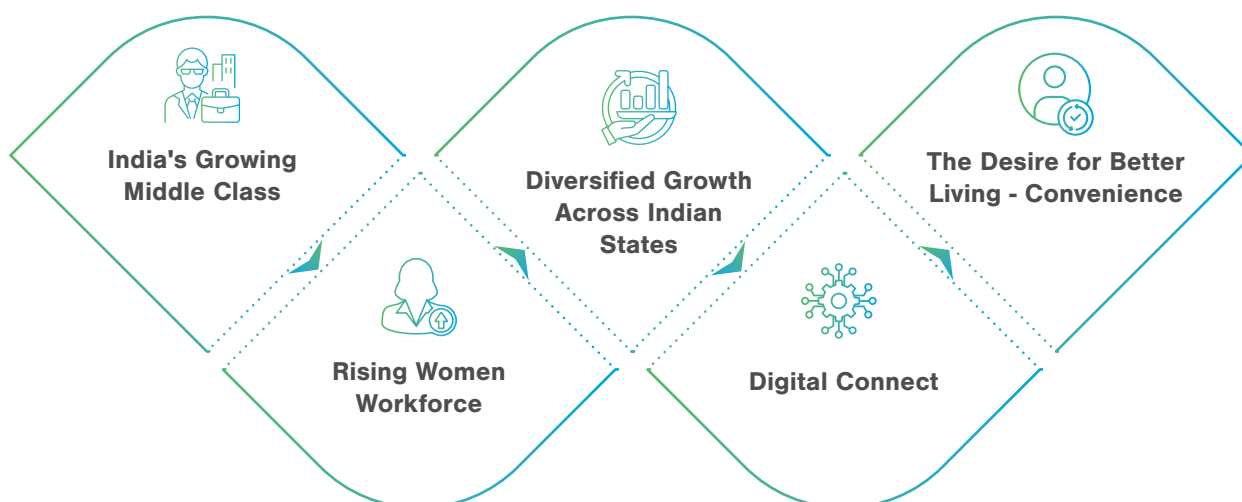
### The Indian ‘Story’ – Why we believe the best is yet to come?

Volumes	CAGR 2017 - 2024
India	+8.9%

### Your company is perfectly positioned to capitalise on the emerging Discretionary Consumption boom in the Home and Personal Care Space, but the key here is to understand

- Triggers and sustainability of these Triggers which will drive this Boom
- Where are we relatively vs. US and China
- Industry Tailwinds which will ensure sustainable growth

## DRIVERS OF SUSTAINABLE GROWTH – THE TRIGGERS



### DID YOU KNOW?

#### As per KANTAR –

- Washing Machine Penetration stands at 22% in 2022
- Washing Liquids have grown at a CAGR of 35% from 2014-2022
- Dish Washing Liquids have grown at a CAGR of 18% from 2014-2022

**But still the Penetration of Dishwash Liquids, Washing Liquids is less than 25% in India**

#### India's Standing vs. US in 1960-61 & vs. China in 2006

Parameter	India in 2022	US 1960-61	China in 2006
Average Age	29	29	31
Essential Spend % (Food + Housing + Clothing)	57%	63%	56%
Per Capita Income (\$)	2,100	3,007	2,000
Working Age Population	71%	69%	72%
Personal Care spend per Household	24\$	155\$	40\$

India stands at the same inflection point as China stood in 2006 and USA in 1960s. Today, the US and Chinese Personal Care Markets are 6x and 5x the size of Indian Personal Care Market.

### INDUSTRY TAILWINDS – THE GROWTH CATEGORIES!

While the Penetration of Shampoos and Toothpastes stands at >90% in India, multiple newer applications have emerged which will drive the next leg of growth for our Performance as well as Specialty Care Products

### CATEGORIES WHERE PENETRATION IS < 25% IN INDIA AND IS AN ADDRESSABLE MARKET FOR US

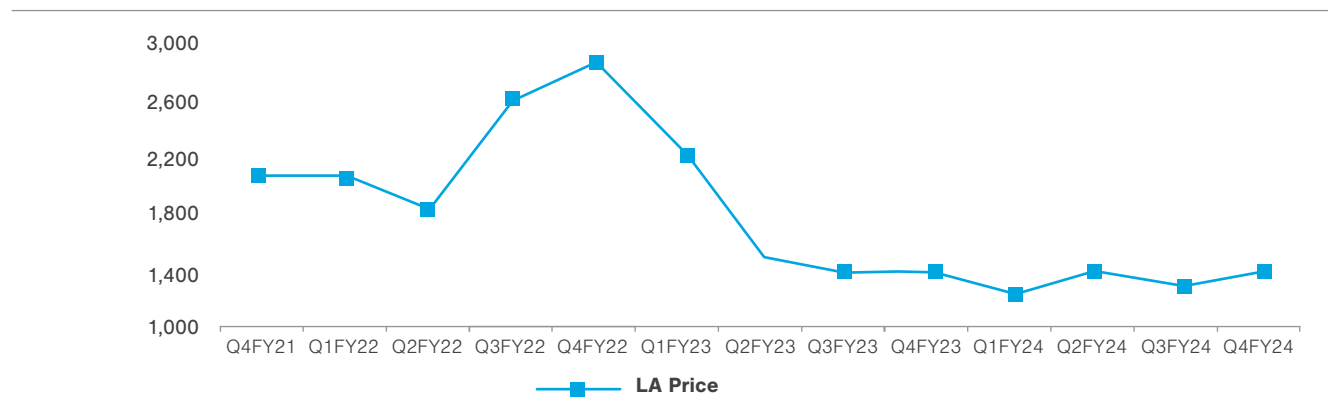


**Stable Macros + Rising Per Capita spending + Growing Population and Work Force are the key triggers for HPC Consumption. With all pre-requisites in place, India remains a structural decadal story which has just started to unfold.**

## THE SUPPLY SIDE PICTURE


Fatty Alcohol Prices remained in a narrow range throughout FY 24. Post the volatility experienced in the past 2 years, we believe the range bound movement may not continue in FY 25.

### Fatty Alcohol Prices (USD / MT)



Crude Oil Prices posted a rally till September, thereafter corrected to 70 USD/Barrel. Rising tensions between Israel and Palestine added momentum post December 2023 and this remains the biggest trigger going ahead in FY 25.


## RISK ASSESSMENT



**Global Risks**

Macro Headwinds on account of accentuated currency depreciation or escalation of Israel-Palestine conflict which may further deteriorate the Red Sea situation or geopolitical situation in Middle East remains the biggest risk. This will have a direct impact on your company's business


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**Climate Risk**

Delay in Monsoons or Below Average Monsoons in India may halt the growth momentum. Rural recovery critical requisite to ensure demand momentum in India. Catastrophes on account of climatic disasters pose the risk to global supply chains and while the risk cannot be quantified; it does adversely impact consumption


.....



**Operational Risks**

Unavailability of Key feedstocks / Constrained availability of critical raw materials or slower than expected recovery in demand may have a bearing on volumes which may adversely impact our FY 2025 performance


.....



**Gestation Risks**

While Destocking cycle has ended, delay in new launches or slower than expected restocking / recovery cycle of Premium specialties will adversely impact profitability going ahead

.....



**Logistic Risks**

Container unavailability or sudden increase in Freight costs or increased lead times due to sudden change in routes as seen during the Red Sea crisis pose risk to volumes and overall profitability

.....

## OUTLOOK FOR FY 25

To conclude, as the World emerges from the after-effects of the pandemic, localised wars and hyperinflation; macro stability remains the key pre-requisite for growth. The refocus on volumes by the Home and Personal Care companies, revival of global consumption and reduction of interest rates will play a key role in reviving as well as sustaining this global recovery. India remains the bright spot, but we consciously believe this year barring for any unforeseen macro event, our global portfolio should make a strong comeback. Volume growth should continue in the 6-8% band. If FY 24 was the year of normalisation of our volumes, FY 25 will be the year of normalisation of our profitability trajectory. We expect premium specialties to pick up from H2 FY 25 which should bode well for our margins and thus ensure compliance of our cardinal principles i.e. PAT Growth > EBITDA Growth > Volume Growth with ROCE of 22%. To conclude, with the ethos and relationships built over decades; at Galaxy, we remain fully committed towards ensuring we build an organisation that lasts for decades; an organisation led by high performing talent that grows sustainably, ethically and responsibly.



# DIRECTORS' REPORT

## To the Members

Your Directors take pleasure in presenting the Thirty Eight (38<sup>th</sup>) Annual Report together with the Audited Financial Statements for the year ended March 31, 2024.

## 1. FINANCIAL RESULTS

(₹ Crores)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
<b>REVENUE &amp; PROFITS</b>				
<b>Total Revenue from Operations</b>	<b>2,745.24</b>	<b>3,178.05</b>	<b>3,794.38</b>	<b>4,464.03</b>
<b>Profit before Interest, Tax &amp; Depreciation</b>	<b>341.97</b>	<b>352.55</b>	<b>497.68</b>	<b>578.13</b>
Less: Interest & Finance Charges	12.32	12.32	22.40	21.70
Less: Depreciation	62.64	52.62	99.81	83.48
<b>Profit for the year before Tax</b>	<b>267.01</b>	<b>287.61</b>	<b>375.47</b>	<b>472.95</b>
Less: Provision for Taxation				
- Current	60.39	72.01	73.07	91.26
- Deferred	6.28	1.59	0.93	0.71
<b>Net Profit after Tax</b>	<b>200.34</b>	<b>214.01</b>	<b>301.47</b>	<b>380.98</b>
<b>RETAINED EARNINGS</b>				
Opening Balance of Retained Earnings	1,161.92	1,075.66	1,707.71	1,454.48
Add: Profit for the year	200.34	214.01	301.47	380.98
Add: Other comprehensive income	(4.59)	(0.11)	(4.59)	(0.11)
Less: Appropriations: Dividend				
- Interim Dividend paid during the year	-	63.82	-	63.82
- Final Dividend paid during the year	14.18	63.82	14.18	63.82
<b>Total Dividend on Equity Shares</b>	<b>14.18</b>	<b>127.64</b>	<b>14.18</b>	<b>127.64</b>
Less: Transfer to Statutory Reserve	-	-	12.08	-
<b>Balance as at end of the Year</b>	<b>1,343.49</b>	<b>1,161.92</b>	<b>1,978.33</b>	<b>1,707.71</b>

### Operating Subsidiary – TRI-K Industries Inc., USA

Particulars	₹ Crores		USD 000's	
	2023-24	2022-23	2023-24	2022-23
<b>REVENUE &amp; PROFITS</b>				
<b>Total Revenue from Operations</b>	<b>548.39</b>	<b>666.40</b>	<b>66,246</b>	<b>82,917</b>
<b>Profit before Interest, Tax &amp; Depreciation</b>	<b>56.61</b>	<b>94.99</b>	<b>6,839</b>	<b>11,820</b>
Less: Interest & Finance Charges	0.32	0.62	38	77
Less: Depreciation	7.13	6.50	862	809
<b>Profit for the year before Tax</b>	<b>49.16</b>	<b>87.87</b>	<b>5,939</b>	<b>10,934</b>
Less: Provision for Taxation				
- Current	11.91	19.25	1,439	2,395
- Deferred	(2.33)	(3.33)	(281)	(414)
<b>Net Profit after Tax</b>	<b>39.58</b>	<b>71.95</b>	<b>4,781</b>	<b>8,953</b>
<b>RETAINED EARNINGS</b>				
Opening Balance of Retained Earnings	331.10	259.15	45,834	36,881
Add: Profit for the year	39.58	71.95	4,781	8,953
<b>Balance as at end of the Year</b>	<b>370.68</b>	<b>331.10</b>	<b>50,615</b>	<b>45,834</b>

## Operating Subsidiary – Galaxy Chemicals (Egypt) S. A. E

Particulars	₹ Crores		USD 000's	
	2023-24	2022-23	2023-24	2022-23
<b>REVENUE &amp; PROFITS</b>				
<b>Total Revenue from Operations</b>	<b>978.56</b>	<b>1,240.62</b>	<b>1,18,212</b>	<b>1,54,363</b>
<b>Profit before Interest, Tax &amp; Depreciation</b>	<b>117.43</b>	<b>118.46</b>	<b>14,187</b>	<b>14,740</b>
Less: Interest & Finance Charges	10.26	10.49	1,240	1,306
Less: Depreciation	30.04	24.34	3,629	3,029
<b>Profit for the year before Tax</b>	<b>77.13</b>	<b>83.63</b>	<b>9,318</b>	<b>10,405</b>
<b>Net Profit after Tax</b>	<b>77.13</b>	<b>83.63</b>	<b>9,318</b>	<b>10,405</b>
<b>RETAINED EARNINGS</b>				
Opening Balance of Retained Earnings	261.09	177.46	29,191	18,786
Add: Profit for the year	77.13	83.63	9,318	10,405
Less: Final Dividend paid during the year	(24.83)	-	(3,000)	-
Less: Transfer to Statutory Reserve	(12.08)	-	(1,460)	-
<b>Balance as at end of the Year</b>	<b>301.31</b>	<b>261.09</b>	<b>34,049</b>	<b>29,191</b>

## 2. DIVIDEND

The Board recommends a final dividend of ₹ 22/- per share for the financial year 2023-24. The total dividend payout for the concluded year shall be ₹ 78 Crores.

The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is in place and available on the website of the Company <https://www.galaxysurfactants.com>.

## 3. BUSINESS & FINANCIAL PERFORMANCE

The performance of your Company for the year on a standalone and consolidated basis is reflected by the following ratios:

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
EBITDA (% to Revenue from Operations)	12.5%	11.1%	13.1%	13.0%
PAT (% to Revenue from Operations)	7.3%	6.7%	7.9%	8.5%
ROACE (%)	18.6%	21.0%	17.7%	23.9%
RONW (%)	15.2%	18.1%	14.8%	22.0%
Debt:Equity Ratio	0.09	0.15	0.06	0.14
Earnings per Share (₹)	56.51	60.36	85.03	107.46
Cash Earnings per Share (₹)	74.17	75.20	113.18	131.00
Book Value per Share (₹)	396.43	345.21	614.66	530.97

### Business Scenario

The spate of interest rate increases by the central banks across the world in the previous continued in the current year with FED rolling out two increases of 25 basis points each in May & July 2023 taking the rates at a 22-year high. The current tightening cycle which started in March 2022 is perhaps the most aggressive in decades.

To counter rising inflation, major central banks across the world have raised policy interest rates to restrictive levels. The impact of the same was seen by softening of inflation with the headline inflation falling especially as a result of decline in energy prices – both due to higher

energy supplies as well as curbing of demand due to tightening of monetary policies.

Amidst this backdrop of the macroeconomic conditions, domestic economic activity has been resilient supported by capital expenditure & infrastructure spending by the government, underlying resilience of the services sector and healthier corporate and bank balance sheets. Overall, the outlook for growth is improving on the back of domestic drivers of demand, although persisting uncertainties on the global front pose risks to the outlook. Taking into account the revised estimates, GDP growth in India is expected to be around 7.6% for FY 24 and is expected to continue to be at 7.0% in 2024-25 retaining

the tag of fastest growing among the major economies of the world.

The situation in the export markets remained challenging. In the United States, the economy was more resilient than expected, on the back of robust domestic demand and a strong labour market. However, demand for the products remained subdued due to high inventory levels and destocking.

Growth weakened in the Euro with industrial sector getting effected by tighter financing conditions, weak demand. Inflation in Euro area declined sharply particularly by negative energy inflation as the strong energy prices of the previous unwound and also due to the effects of tighter monetary policy.

AMET market continued with its macroeconomic challenges with the two largest economies battling high inflation and currency depreciation. Egypt, which is one of the key markets for us due to our presence through our local subsidiary, announced a floating exchange rate regime for its currency, after which the currency lost around 60% of its value. Egypt economy has been hit hard since the pandemic with dwindling tourist revenues and resulting fallout from Russia-Ukraine war and most recently the Israel-Hamas war on its revenues from the Suez canal. Although the depreciation of the currency can inflict more pain in the short term by way of imported food inflation, it will help Egypt's economy in the long term by attracting foreign investment and curbing black market in currencies.

Going forward, the chances of hard landing seem to have receded and risks to the outlook are in balance. While continuation of geopolitical tensions, elevated public debt amidst tight financial conditions, weak recovery in China, geoeconomic fragmentation and extreme weather events pose downside risks to the outlook. While inflation has eased across countries with restrictive policies and easing of supply shocks, it still rules above targets, especially in advanced economies, and the last mile of disinflation is likely to be gradual. Back in India, the election results in the Q1 of FY 25 will be decisive in fortifying and continuation of growth.

### Financial Outcomes

Amidst the economic uncertainties, with clear focus on volumes, your company registered a volume growth of 7.7% driven primarily by India. This is a very welcome volume growth since the Covid year of FY 21 which saw volume led growth due to change in the consumption patterns due to COVID. The years, thereafter, remained challenging and volumes remaining subdued on account of external shocks, supply chain disruptions, new geopolitical flashpoints and finally elevated inflation levels which prompted Central banks across the world to resort to tightening of the monetary policies by

increasing the interest rates to restrictive levels, not seen in the recent past.

India continued its momentum throughout the year registering a healthy growth of 11%, supported by strong economy, government spending, increased urban demand and lower feedstock prices, though towards the end of the year in Q4 the supply chain uncertainties caused by Red Sea Crisis due to the ongoing Israel-Hamas war proved to be some dampener.

Despite economic volatilities and the supply disruptions caused by the Red Sea Crisis, AMET region registered a marginal decline in volumes. With Egypt moving to a floating exchange rate scenario and different initiatives taken by the Government to spruce up its forex reserves, hopefully we should see better days ahead.

Rest of the World primarily contributed by US & Europe & APAC also registered double digit growth in volumes. US demand however has been subdued due to the effect of destocking and higher inventory levels. Europe is still reeling under higher interest rates and inflation, though we have seen inflation softening recently.

On a consolidated basis, despite around 7.7% growth in volumes, EBITDA declined by around 14% as a result of lower value realisation amidst tight market conditions. Higher other income is contributed by higher investment income and one time foreign exchange gain in our Egypt subsidiary due to the currency devaluation.

This financial year, your Company has introduced a range of groundbreaking products designed to set new standards in performance and sustainability:

### Galaxy Hearth® Fabcon

#### Next-gen fabric care

The demand for safer, more effective, and environmental friendly products for fabric care is ever-increasing. Traditional fabric softeners, which use Ester Quats, often face challenges such as thermo-stability issues, yellowing, build-up, and complex manufacturing processes. To address these concerns, Galaxy Surfactants introduced Galaxy Hearth® Fabcon, an innovative, ester-free fabric conditioning ingredient that prioritises safety for both people and the planet.

Galaxy Hearth® Fabcon stands out with its unique Di-amido Quat composition, offering multiple benefits. It effectively prevents build-up over repeated use, avoids yellowing, and provides anti-static and antimicrobial properties, all while retaining fragrance for extended periods. Hearth® Fabcon extends its conditioning benefits to 2-in-1 laundry liquids, fabric sanitisers, and other fabric care applications. Emphasising sustainability, Galaxy Hearth® Fabcon is fully biodegradable with more

than 75% natural content and ensures process safety with its completely solvent-free synthesis. With Hearth® Fabcon, we are setting new standards in fabric care, delivering exceptional performance while prioritising safety and sustainability.

### **Galseer® Flexcon**

#### **Conditioning Simplified!**

In today's fast-paced world, achieving effortlessly beautiful hair is a universal desire. Whether it's combating frizz, restoring shine, or maintaining vibrant colour, consumers seek hair conditioning products that deliver on their promises. Recognising the essential role conditioners play in maintaining the health and vitality of our hair, Galaxy Surfactants introduced Galseer® Flexcon – an innovative conditioning system designed to revolutionise the hair care landscape.

With consumer demands evolving towards eco-friendly and multifunctional products, Galseer® Flexcon emerges as a solution that perfectly blends performance, innovation and sustainability. From replenishing moisture, enhancing hair sensory to UV-protection, Galseer® Flexcon empowers consumers to care for their hair in ways that align with their unique lifestyles. By offering a waterless alternative and promoting versatile formulations, Galseer® Flexcon not only minimises environmental impact but also empowers consumers to make conscious choices in their hair care routine. With Galseer® Flexcon, Galaxy continues to redefine hair care, offering a holistic solution that nurtures hair with care, confidence, and conscience.

### **Galseer® DermaGreen**

#### **100% Green oil-soluble cleanser**

Today's consumers are increasingly aware of their unique skin types and concerns. For those with sensitive and compromised skin, finding products that deliver results without causing irritation can be particularly challenging. Oil-based cleansers are considered ideal for such skin types as they also moisturise the skin by occlusion. However, traditional cleansing systems for shower oils often contain harmful ingredients that can irritate the skin and potentially cause long-term damage. Addressing these issues, Galaxy Surfactants introduced Galseer® DermaGreen, a first-of-its-kind, pre-biotic and 100% green oil-soluble cleanser and skincare ingredient.

Designed with the utmost care and consideration for those with dry, sensitive, and highly irritated skin, Galseer® DermaGreen is hypoallergenic and dermatologically tested, providing assurance to those seeking gentle yet effective skincare solutions. Free from toxic and eco-damaging substances, this innovative cleanser is manufactured using a green manufacturing process, ensuring a sustainable and environmentally friendly approach to skincare. Its versatility allows it to be used

in a wide range of personal care products, including shower oils, bath oils, make-up removers, and facial cleansing oils. Galseer® Flexcon DermaGreen embodies Galaxy Surfactants' commitment to developing skin-friendly and eco-conscious solutions for today's discerning consumers.

### **GalMOL**

#### **Range of Emollients**

Consumer are getting more and more aware of the skin health and moisturisation. The quest for effective and sustainable skin hydration products has led to the development of emollients that enhance the skin's moisture barrier by protecting the water loss from skin. Identifying this market need, Galaxy Surfactants introduced the GalMOL Range of Emollients which are designed to provide superior hydration and a luxurious sensory experience.

The GalMOL range is a new addition to Galaxy's offerings for leave-on beauty and personal care products, such as creams, lotions, and serums. These emollients excel at improving formulation texture, providing a smooth and enhanced skin feel. GalMOL range include multifunctional products which can be utilised to disperse pigments or crystalline UV filters, adding versatility to their application. With excellent spreadability, skin absorption, and a non-greasy finish, GalMOL emollients are ideal for a wide array of personal care applications. This range allows formulators to meet consumer demands for high performance and exceptional beauty & personal care products.

With multiple new-age offerings, your Company continues to deliver innovative and effective solutions for the personal & home care industry.

## **4. PEOPLE ENERGY**

Our People and Culture are the core foundation of your Company's strength. Employees are the source of Galaxy's excellence, creating resources for a developmental, sustainable, and successful future. The People Energy Process has been dedicated to fostering a learning work environment, cultivating a highly skilled and engaged workforce, being the custodian of Values and Ethos, and being the employer of choice.

The Talent Acquisition process plays a vital role in acquiring top talent and ensuring the right fit for our organisation. Your Company has implemented an effective recruitment strategy, leveraging digital platforms to attract a diverse pool of candidates. To achieve the strategic goals of the organisation, your Company has established the People Energy Business Partner model, which involved close collaboration with the various business verticals. The primary aim of this partnership is to ensure alignment between the

organisation and process goals to facilitate the overall development of the employees. As a result, each department now has a designated business partner with whom they can navigate swiftly for future action.

In the ever-evolving business sphere, your Company has kept our competitive and innovative edge by implementing new techniques in learning and development. By leveraging multimodal dimensionality, such as digital learning platforms equipped with interactive training modules, your Company has provided employees with accessible and engaging learning opportunities that help them to always access training modules. These initiatives have empowered employees to acquire new skills, stay relevant in a rapidly changing business landscape, and contribute to their professional growth.

In ongoing pursuit of achieving full digitalisation, your Company made noteworthy progress. Through the implementation of various digital initiatives, your Company has been steadily advancing towards 100% digitalisation goal. Key steps taken include the introduction of training recommendations and a digital database for nominations and feedback. Your Company has successfully transitioned behavioural training programmes to online platforms, thereby enhancing accessibility for all. Furthermore, the integration of a digital flow for accessing policy benefits has significantly reduced processing time and improved overall efficiency. To further support employees' development, a digital training calendar tailored for all staff members has been launched.

Furthermore, to ensure that workforce can perform at a required level at a particular job role, your Company has implemented the Competency Assurance System, wherein the current competency level and the desired competency level of the workforce for a specific role are mapped. In addition to this, your Company has provided the learning tools for bridging the learning gap between the actual skill and the desired skill level. This year, your Company has implemented a platform wherein the current competency level, desired skillset, and learning journey of employees can be mapped and analysed.

This year marked a significant milestone as your Company saw the transition of leadership from the founders to being professionally managed. To uphold the values and vision of the founders, your Company has introduced the 'Annual Founders' Legacy Value Week' to reiterate our dedication to fostering a culture defined by integrity, innovation, excellence, empathy, and collaboration. Notably, the unveiling of inaugural and 15<sup>th</sup> Value, 'Safety First', was a key highlight of this endeavour, emphasising the importance of safety as a core aspect of Galaxy's operations and reinforcing the notion that safety excellence is synonymous with organisational excellence.

Your Company acknowledges the importance of employee well-being and has taken proactive steps to prioritise both physical and mental health. To enhance overall employee wellness your Company has implemented a comprehensive wellness programme. This initiative includes regular health check-ups, awareness campaigns, and access to fitness resources. Additionally, your Company has integrated a tracking system to analyse employees' fitness patterns and find areas for improvement. The introduction of wellness progress monitoring has provided valuable insights into employee health trends, allowing your Company to offer further support where needed.

At Galaxy, we believe that diversity and inclusion are essential for fostering innovation, creativity, and a productive organisational culture. We have actively promoted diversity and inclusion initiatives throughout the year. We have implemented policies and procedures to ensure fair and unbiased recruitment practices. This includes hiring individuals with disabilities, implementing gender-neutral policies and procedures, and creating an environment of inclusivity, learning, and acceptance.

This year, being certified as a Great Place to Work 2024-25 was a feather in the cap for us. With this, we recognise our commitment to fostering a positive work culture and reflect our ongoing efforts in creating a supportive and engaging environment for our employees.

## 5. QUALITY

Your Company is committed to delivering consistently high quality and high performing products and services to its customers.

The quality of cosmetic ingredients is critical to assure the safety, quality and efficacy of formulations developed by your Company's customers. Continuous improvement in quality across all domains and implementation of Best Practices at its sites enabled your Company to meet the quality standards set by regulatory authorities (viz. BIS, FDA, CDSCO) and the stringent quality benchmarks set by customers for the product qualifications.

Your Company has effectively implemented the principles of Good Manufacturing Practices (GMP) and Quality Risk Management approaches and all its manufacturing sites certified with EFfCI (European Federation for Cosmetic Ingredients) GMP standard. World-class practices such as TPM are adopted at the manufacturing sites augmented by internal benchmarking programmes such as Galaxy Manufacturing Excellence Award (GMEA).

Under the umbrella of Product Stewardship, your Company has maintained a high focus on Product Safety and Compliance. Your Company has further

strengthened on developing products which are Eco-friendly and with High Natural Origin content. Sustainable Product Development emphasising on 12 principles of Green Chemistry has been your Company's approach. Product attestations/certifications like COSMOS/Ecocert, Kosher, Halal, RSPO (MB & SG); Product customisations including specification as per pharmacopoeia caring about Vegan Beauty and offering solutions to meet consumer trends have been the efforts to deliver enhanced value to your Company's customers.

## 6. SUSTAINABILITY / RESPONSIBLE CARE

Your Company is one of India's leading manufacturers of surfactants and other specialty ingredients for the Personal Care and Home Care industry. Your Company's continued march towards improving on innovating environmentally friendly product, operational processes. Your organisations sustainability journey set towards rightly with a clear mission of 2030.

### Mission 2030 Encapsulates Goals on following pillars.

- Climate Change – Following pathway of 1.5 Deg. Celsius for reduction of GHG emissions by increasing the renewable source of energy
- Circular Economy – Rethinking and transforming full value chains to create a system in which waste is designed out entirely. This will be achieved by increasing the yield, waste mapping
- Water Stewardship – Being water positive by 1.4 times
- Diversity and Inclusion – Diverse workplace and leverage the effects of diversity to achieve competitive business advantage
- Green Supply Chain – Oil Palm Traceability till Mill Level 100%

Your Company has achieved following things in FY 24

- Avoided 7,148 tCO<sub>2</sub>e Emission by increase in % of consumption of solar electrical power
- Rainwater Harvesting of 13,396 m<sup>3</sup> of water within the boundary
- Water Positive at Corporate – More than 1.4 times Water Positive
- Recycled water of 1,10,647 KL used in operations
- Sold more than 80,920 MT of RSPO MB Certified Finished goods

- Oil Palm Traceability more than 95% till Mill Level

Your Company continued to adhere to following frameworks:

- Assured Sustainability Report in alignment with AA1000AS version 3 for FY 2022-23
- ISO 14064-2019
- Climate Change “B” Rating – Management Level
- Adherence to RSPO (MB) – SCCS certification 2020
- Certified for VDF certification – Unilever Standard
- Forest Disclosure “C” Rating – Awareness Level
- Water Security Disclosure “B” Rating – Management Level
- Eco Vadis “Gold Standard”

Your Company is awarded with following:

- Indian Sustainability Conclave Award for – Best Water Management company for being more than 1.4 times Water Positive
- Indian Sustainability Conclave Award for – Best Company for using Renewable electrical power of more than 14%
- Indian Sustainability Conclave Award for – Best company for Waste Management having a waste circularity more than 70%
- Indian Sustainability Conclave Award for – Best Green Supply chain company for consuming more than 35,000 MT of RSPO MB Certified raw material
- Cavin Care Award – BEST SUSTAINABLE Company of the Year
- P&G – External Business Partner-Excellence Award
- NCQC – National Excellence award for 2023 – Nagpur Chapter
- 46<sup>th</sup> CII National Kaizen Competition – GOLD Award

Your Company continuously engages with stakeholders to seek feedback and improve. Conducted trainings for supply chain partners. Engages with customers during various exhibitions. Actively participated through various industry bodies forums – RSPO, CDP, WWF, CRB, CII, I-SPOC, ICC initiatives to share best practices and perspective to march a journey towards sustainable future.

## 7. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of the provisions of Section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company have constituted a Corporate Social Responsibility (“CSR”) Committee. The composition and terms of reference of the CSR Committee are provided in the Corporate Governance Report, which forms part of this Annual Report.

Your Company has also formulated a CSR Policy and the same is available on your Company’s website at <https://www.galaxysurfactants.com/about/our-policies.aspx>.

During the year, your Company undertook the following CSR initiatives:

Sr. No.	Focussed CSR Projects	Description
1	Arogya Vardheeni (Health & Hygiene)	<ul style="list-style-type: none"> <li>a) Continued (3<sup>rd</sup> Year) running Primary Health Centre in Talodara Village, Jhagadia, Gujarat</li> <li>b) Distributed 684 Maternal &amp; Child Health Kits to Pregnant Women &amp; 60 Additional Nutrition Kit to HIV infected Children in Bharuch, Gujarat</li> <li>c) Food support (Narayan Sewa) to Cancer Patients and their relatives at Tata Memorial Centre, Navi Mumbai, Maharashtra &amp; at Ram Krishna Cancer Hospital, Saharanpur, Uttar Pradesh</li> <li>d) Supported (2<sup>nd</sup> Year) Unearthing the burden of Non-Communicable Diseases Viz. Diabetes, Hypertension, Sickle, Leprosy, Epilepsy for ~ 7,000 patients in Bilaspur, Chhattisgarh</li> <li>e) Support for training needs of Mid-level health care workers of tribal district Sarguja, Chhattisgarh</li> <li>f) Supported 2 Cancer Patient’s Care Home in Navi Mumbai, Maharashtra</li> <li>g) Supported 2 Differently Abled Care Home in Navi Mumbai, Maharashtra</li> <li>h) Supported Institution providing Palliative Care to terminally ill poor patients in Mumbai, Maharashtra</li> <li>i) Conducted 6 Blood Donation Camps collecting 438 blood units. Till date, total 91 blood donation camps have been conducted collecting 6,852 units of Blood</li> <li>j) Provided 6,000 Adult Diapers to Destitute Senior Citizens in Thane, Maharashtra</li> <li>k) Provided Medical &amp; Nutritional support to 25 Orphan Children for entire year in Navi Mumbai, Maharashtra</li> <li>l) Conducted Deaddiction Awareness Sessions in Navi Mumbai, Maharashtra</li> <li>m) Support for Mobile eye check-up van to a trust affiliated hospital in Navi Mumbai, Maharashtra</li> <li>n) Conducted Hand Hygiene Sessions in Schools nearby our Tarapur and Taloja Operations</li> <li>o) Beneficiary touched – 71,864</li> </ul>
2	Gyan Sanjeevani (Education)	<ul style="list-style-type: none"> <li>a) Construction of 7 New Classrooms at a Village School in Palghar, Maharashtra (The project is of ongoing nature and will be completed in 2024-25)</li> <li>b) Supported 2 Special Children’s School in Navi Mumbai, Maharashtra</li> <li>c) Completed Structural Strengthening of Basketball Court at a Sports Club in Navi Mumbai, Maharashtra</li> <li>d) Continued support to Vocational training centre providing skills in beautician, BPO and nursing at Turbhe Slums, Navi Mumbai, Maharashtra</li> <li>e) Distributed Notebooks in schools nearby our factory operations ~ 20,750 notebooks</li> <li>f) Beneficiary touched – 9,661</li> </ul>

All the CSR activities of your Company are in compliance with the guidelines prescribed under Section 135 of the Companies Act, 2013. CSR Committee reviewed and updated the CSR Policy covering the objectives, focus areas, budget, monitoring & reporting among others.

Against ₹ 4.86 Crores that were required to be spent on CSR activities under Schedule VII, your Company has successfully disbursed ₹ 4.90 Crores.

A detailed report on amount spent on different activities, results achieved on the initiatives undertaken by your Company is attached with “**Annexure B**”.

Sr. No.	Focussed CSR Projects	Description
3	Samajeeek Utthaan (Community Development)	<ul style="list-style-type: none"> <li>a) Completed Watershed Development Project in two phases at Mahadeowadi, &amp; Pokharni Devi Villages of Parbhani, Maharashtra</li> <li>b) Completed Watershed cum Integrated Village Development Project in Shivani Village, Nanded, Maharashtra</li> <li>c) Completed 12 Farm ponds in Degloor Block, Nanded, Maharashtra</li> <li>d) Set up Sewage Treatment Plant at Public Hospital in Jhagadia, Bharuch, Gujarat (The Project is of ongoing category and will be completed in 2024-25)</li> <li>e) Constructed Overhead Village Water Tank of 80,000 Litres Capacity in Jhagadia Town, Bharuch, Gujarat</li> <li>f) Constructed Underground Water Sump of 77,000 Litres Capacity in Kumbhavli Village, Palghar, Maharashtra (This project is of Ongoing Category and will be completed in FY 25)</li> <li>g) Infrastructure Development of Mentally Challenged Children's School in Navi Mumbai, Maharashtra</li> <li>h) Vocational Training to Blind People in Navi Mumbai, Maharashtra</li> <li>i) Supported 2 Old Age Homes in Palghar, Maharashtra &amp; Bharuch, Gujarat</li> <li>j) Beneficiary touched – 3,13,195</li> </ul>
4	Paryavaran Suraksha (Environment Protection)	<ul style="list-style-type: none"> <li>a) Roof top Rain water harvesting in 26 ZP Schools around our Taloja Plant (10 M litres of RWH)</li> <li>b) Supported Rabies Mukht Mission in Palghar, Maharashtra</li> <li>c) Provided 2 Waste Collection Vans to an Organisation in Mumbai, Maharashtra</li> <li>d) Plantation of 3,000 Saplings at Palghar District Collector Office, Maharashtra</li> <li>e) Plantation of 1,500 Saplings at RAF Campus, Kharghar, Navi Mumbai, Maharashtra</li> <li>f) Feedstock support for abandoned cattle at Erode, Tamil Nadu</li> <li>g) 2 cleanliness drives at beaches in Raigad, Maharashtra Beneficiary touched – 94,281</li> </ul>
5	Stree Unnati (Women Empowerment)	<ul style="list-style-type: none"> <li>a) Continued support to Women SHG of Waste Pickers in Navi Mumbai, Maharashtra</li> <li>b) Skill Development Session for Tribal Women in Jhagadia, Bharuch, Gujarat</li> <li>c) Menstrual Hygiene Sessions on International Women Day at villages nearby our operations in Gujarat and Maharashtra</li> <li>d) Beneficiary touched – 1,210</li> </ul>
6	Aapda Rahat (Calamity Relief)	<ul style="list-style-type: none"> <li>a) Distributed Food &amp; Ration kits to Flood Affected Victims in Ankleshwar &amp; Bharuch, Gujarat</li> <li>b) Beneficiary touched – 400</li> </ul>

Note: Cumulatively during FY 24 your Company has touched 4,90,711 lives (whereas total 12,05,450 lives have been touched after introduction of CSR)

## 8. SUBSIDIARIES AND ASSOCIATES

As of March 31, 2024, your Company has five wholly-owned subsidiaries within the definition of 'Subsidiary Company' under the Companies Act, 2013.

Your Company also has an Associate Company in which your Company has shareholding in excess of 20% – formed specifically in connection with compliance requirements under of Electricity Rules, 2005 for Group Captive. Your Company has no role in control or participation in the business decision under the agreement in the above Company and accordingly, accounts of the said Company have not been consolidated.

After the end of financial year, your Company has incorporated a new wholly-owned subsidiary viz. Galaxy Specialties Europe B.V. in Netherlands in the month of April 2024.

During the year under review, the Board of Directors has reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, your Company has prepared Consolidated Financial Statements of the Company and all its subsidiaries in compliance with the applicable accounting standards, which forms part of this Annual Report.

Pursuant to the provisions of sub section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of the



Companies (Accounts) Rules, 2014, the salient features of the financial statement of each of our subsidiaries are set out in the prescribed format AOC-1 which forms part of the Financial Statements section of this Annual Report.

Further, pursuant to the provisions of section 136 of the Companies Act, 2013, the Financial Statements of subsidiary Companies are uploaded on the website of your Company i.e., [www.galaxysurfactants.com](http://www.galaxysurfactants.com) and shall also be available for inspection at the registered office of your Company with prior notice.

Your Board has decided to revive Galaxy Chemicals Inc., a 100% owned subsidiary in US, which was earlier decided for wound up. Galaxy Chemicals Inc. would support your Company in trading and distribution activities of products in America.

## 9. PARTICULARS OF EMPLOYEES & MANAGERIAL REMUNERATION

Disclosures relating to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annual Report in "Annexure F", which forms part of this Report.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report which forms part of this Report. Having regard to the provisions of the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of your Company with prior notice and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

## 10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

### i. Changes in the Composition in the Board of Directors and Key Managerial Personnel

Mr. U Shekhar, Managing Director completed his term on February 17, 2024 and thereafter, continued as a non-executive, non-independent director liable to retire by rotation w.e.f. February 18, 2024.

Your Board wishes to thank Mr. Shekhar for his stellar contribution in building Galaxy as a great organisation.

Mr. K. Natarajan has been appointed as the Managing Director for the period of 3 years w.e.f. February 18, 2024.

The above changes in the directorships have been approved by the members through postal ballot on January 16, 2024.

Mr. Vaijanath Kulkarni, Whole-time Director has been designated as Executive Director & Chief Operation Officer w.e.f. February 18, 2024.

Mr. Ganesh Kamath, ex-director of your Company who was continuing as a director of Galaxy Chemicals (Egypt) S.A.E ceased to be director the said subsidiary w.e.f. October 26, 2023.

### ii. Independent Directors

As on March 31, 2024, your Company has 5 Independent Directors on its Board.

Mr. M. G. Parameswaran, Independent Director is the Chairman effective April 20, 2022.

Appointment of Mr. Madhavan Hariharan (DIN: 07217072) as an Independent Director for the term of five years w.e.f. May 23, 2023 has been confirmed by the Members in their 37<sup>th</sup> AGM held on August 10, 2023.

In the 36<sup>th</sup> AGM held on August 5, 2022, Mr. Kanwar Bir Singh Anand (DIN: 03518282) has been appointed as an Independent Director for the term of 5 years commencing from the date of the above AGM.

As per the provisions of the Companies Act, 2013, Mr. M. G. Parameswaran and Mr. Subodh Nadkarni were appointed for a second term in 33<sup>rd</sup> AGM & Mrs. Nandita Gurjar was appointed for the second term in 34<sup>th</sup> AGM.

All the independent directors are not liable to retire by rotation.

The Independent Directors have given their declaration of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013.

### iii. Reappointment of Directors Liable to Retire by Rotation

Your Board has 5 Directors who are liable to retire by rotation. Mr. G. Ramakrishnan (DIN: 00264760) is liable to retire by rotation in ensuing AGM and being eligible, your Board recommends him for re-appointment.

Mr. Shashikant Shanbhag (DIN: 00265103) does not seek his re-appointment and accordingly he will retire in the ensuing AGM. Your Board has decided not to fill the casual vacancy created by the completion of the term of Mr. Shanbhag.

Your Board wishes to thank to Mr. Shanbhag for his contribution to the Company.

The proposal for reappointment of Mr. G. Ramakrishnan and the retirement of Mr. Shanbhag are covered in Item No. 4 & 5 of the AGM notice as Ordinary Business.

## 11. NOMINATION AND REMUNERATION POLICY

The Board of Directors on the recommendation of the Nomination & Remuneration Committee has framed "Nomination and Remuneration Policy" which inter alia lays down framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of your Company and criteria for selection and appointment of Board Members. The said Policy is annexed as "Annexure C" and forms an integral part of this Report.

## 12. EVALUATION OF BOARD, ITS COMMITTEES AND DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Board has carried out the annual performance evaluation of its own performance, Board Committees and Individual Directors. The evaluation was done through a structured questionnaire which considered various aspects of the Board's functioning, composition of the Board and its committees, culture, execution and performance of specific duties, obligations and governance.

The details of programmes for familiarisation of Independent Directors of your Company are available on your Company's website [www.galaxysurfactants.com](http://www.galaxysurfactants.com).

The Board of Directors has evaluated the Independent Director appointed during FY 24 and opined that the integrity, expertise and experience (including proficiency) of the Independent Director is satisfactory.

## 13. BOARD COMMITTEES

In order to strengthen its functioning, the Board of Directors has constituted the following Committees as per the requirement of Companies Act, 2013 and the SEBI Regulations:

1. Audit Committee
2. Nomination & Remuneration Committee

3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

Details of the Committees along with their charter, composition and meetings held during the year are provided in the Corporate Governance Report which forms part of this Annual Report.

## 14. MEETINGS OF THE BOARD AND COMMITTEES

The details of the Board of Directors and Committees along with their composition, number of meetings held and attendance at the meetings are provided in the Corporate Governance Report which forms part of this Annual Report.

Secretarial Standards: Applicable Secretarial Standards i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively have been duly followed by your Company.

## 15. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) that in the preparation of the Annual Accounts for the year ended March 31, 2024, the applicable accounting standards have been followed and there are no material departures from the same;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of March 31, 2024 and of the Profit and Loss of the Company for that period;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the Annual Accounts on a going concern basis;
- (v) that the Directors had laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) 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.

## 16. AUDITORS

### Statutory Auditors

M/s. Deloitte Haskins & Sells LLP (Firm Registration Number 117366W/W-100018) were re-appointed as Statutory Auditors of your Company at the 36<sup>th</sup> Annual General Meeting held on August 05, 2022 for the second term of 5 consecutive years i.e. from the conclusion of 36<sup>th</sup> Annual General Meeting till the conclusion of 41<sup>st</sup> Annual General Meeting to be held in the year 2027.

The Report given by the Auditors on the Financial Statements of your Company is part of this Annual Report. There is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

### Cost Auditors

Your Board of Directors, based on recommendation of the Audit Committee, has appointed M/s. Nawal Barde Devdhe & Associates, Cost Accountants in Practice, to audit the cost accounts of your Company for FY 24. In terms of Rule 14 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 as Item No. 6 of the AGM Notice as Special Business.

### Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. S. N. Ananthasubramanian & Co., Company Secretaries in Practice to undertake the Secretarial Audit of your Company. The Report of the Secretarial Auditor for FY 24 is appended as "Annexure E" to this Board's Report.

There is no qualification, reservation or adverse remark made by the Secretarial Auditor in their report.

## 17. RISK MANAGEMENT & INTERNAL FINANCIAL CONTROLS

Your Company has a Risk Management Committee and has also complied with the requirement of appointment of Independent Director on the Committee. The Risk Management Committee meets to identify, discuss and mitigate risks in business & operational areas thereby addressing ongoing design and oversight adequacy needs. The Risk Management Committee has kicked off Enterprise Risk Management involving review of design and adequacy of organisation structure, governance framework, policies and processes, identification and mitigation of risks and digitisation possibilities.

Your Company has always worked to be contemporary in the application of technology for its business processes

and its interface inter and intra organisation. Towards this end review of business process, applications available and the digitisation of process with adequate controls is an ongoing work in progress. We are on one of the best SAP ERP for over a decade, with substantive utilisation of its features and are endeavouring to move subsidiaries on the same to enable seamless availability of real-time data on consolidated operations.

The above reflects on our continuing endeavour to build an intelligent enterprise that will enable us to create a tech-powered customer and stakeholder-centric solutions that meets the intricacies of the business, operations and emerging customer interface needs. This will enable our core business to become smarter and more efficient through online augmented data-driven and machine-enabled processes, build ecosystems that will help deliver differentiated customer and stakeholder experience, value proposition, and help build seamless value chain that supports the scale and efficiency of the large but acts with the nimbleness and agility of the small, pre-requisite for sustained competitive growth by leveraging digitisation, technology application and analytics.

This calls for seamless integration with our consumers, customers and stakeholder operating ecosystems that can lead to a superior experience by improving agility and responsiveness across the business.

Cybersecurity is essential for any organisation to protect its digital assets from cyber-attacks, data breaches, and other security threats. Cybersecurity is critical to protect against a constantly evolving threat landscape, where attackers are becoming more sophisticated in their tactics, techniques, and procedures. Your Company has identified the constantly increasing cybersecurity threats and made major upgrade in the security environment and extend the same to the subsidiaries, applications, and external interfaces.

Technology plays a critical role in cybersecurity and your Company has implemented several measures to enhance its Cybersecurity measures on the principles of Identify Protect, Detect Respond and Recover. Your Company has implemented security solutions which have also provided for round-the-clock surveillance arrangements to track any threats that can help to protect networks, endpoints, and other operating environments.

Your Company believes in deploying the best security solution to keep Galaxy Business and Operating environment secure, safe and scalable to address global growth needs.

## 18. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company treats its employees equally, with dignity and with no gender bias. Your Company believes and ensures that all employees work in an environment that is free from all kinds of harassments including sexual harassment of women. As required under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has constituted an ICC (Internal Complaints Committee). During the year under review, there was one complaint received in relation to sexual harassment and was closed. The policy for Prevention of Sexual Harassment is available on the website of your Company as given below:

<https://www.galaxysurfactants.com/pdf/corporate-governance/policies/Sexual-Harassment-Policy.pdf>

## 19. CORPORATE GOVERNANCE

Your Company is committed to maintaining the highest standards of Corporate Governance. Your Company continues to be compliant with the requirements of Corporate Governance as enshrined in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Report on Corporate Governance along with the Certificate from the Statutory Auditors of your Company confirming compliances with the conditions of Corporate Governance as stipulated in the Listing Regulations forms part of this Annual Report.

## 20. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A report on the Management Discussion and Analysis for the year under review, as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming an integral part of this Annual Report.

## 21. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Despite continued endeavour in identifying and communicating the beneficiaries of unclaimed dividend and shares, your Company continues to have some cases of unclaimed dividend on account of various reasons like change in residential address, change in telephone numbers etc. due to which your Company is unable to reach the concerned beneficiaries. Such unclaimed dividends and shares in respect of which dividend has remained unclaimed need to be transferred to IEPF as per statutory provisions.

### a) Transfer of Unclaimed Dividend and Interest on Fixed Deposit to IEPF

As required under Section 124 of the Companies Act, 2013 (the Act), unclaimed dividend amount aggregating to ₹ 7,25,800/- (Interim Dividend for FY 2015-16 - ₹ 5,45,500/- & Special Dividend for FY 2015-16 ₹ 1,80,300/-) lying with your Company for a period of seven years were transferred during FY 24 to the Investor Education and Protection Fund established by the Central Government.

### b) Transfer of shares to IEPF

As required under Section 124 of the Act, 4,900 Equity Shares, in respect of which dividend has not been claimed by the members for seven consecutive years or more, have been transferred by your Company to the Investor Education and Protection Fund (IEPF) Authority during FY 24. Details of shares transferred are available on the website of IEPF as well as on the website of your Company.

## 22. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report of your Company for FY 24 forms part of this Annual Report as required under Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 23. DISCLOSURES AND INFORMATION UNDER THE COMPANIES ACT, 2013

Pursuant to section 134 and any other applicable sections of the Companies Act, 2013 (the Act), following disclosures and information is furnished to the shareholders:

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

As required under section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the particulars relating to "Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo" are given in "Annexure A" which is appended to this Board's Report.

### b. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company in Form MGT-7 for FY 24, is available on the Company's website at <https://www.galaxysurfactants.com/investor-relations/annual-general-meetings.aspx>

**c. Particulars of Loans, Guarantees or Investments by the Company**

Particular of loans, guarantees and investments covered under Section 186 of the Act form part of the notes to the Financial Statements provided in this Annual Report.

**d. Related Party Transactions**

The Policy on Related Party Transactions as approved by the Board is available on the website at <https://www.galaxysurfactants.com/pdf/corporate-governance/policies/Policy-on-Related-Party-Transactions.pdf>

The particulars of Related Party Transactions in prescribed Form AOC-2 are annexed as “Annexure D” and form an integral part of this Report. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel, etc. which may have potential conflict with the interest of the Company at large.

The disclosure as required by Schedule V, Clause A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

Particulars	Name of Subsidiary/Firm	(₹ Crores)	
		Maximum amount of loans / advances / investments outstanding during the year ended March 31, 2024	Amount outstanding at the end of the year i.e. March 31, 2024
Investments - Equity Shares	Galaxy Chemicals Inc.	0.15	0.15
Investments - Equity Shares	Galaxy Holdings (Mauritius) Ltd.	2.37	2.37
Investments - Preference Shares (at fair value)	Galaxy Holdings (Mauritius) Ltd.	203.73	193.13
Advances	Galaxy Chemicals (Egypt) S. A. E	0.89	0.66
Advances	TRI-K Industries, Inc.	0.78	0.78

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

As per Section 177 of the Act, your Company has established a vigil mechanism for the Directors and employees to report genuine concerns. Your Company has a vigil mechanism named “Whistle Blower Policy” to deal with any instances of fraud and mismanagement. The Whistle Blower Policy is available on the website of your Company at <https://www.galaxysurfactants.com/pdf/corporate-governance/policies/Whistle-Blower-Policy.pdf>

the going concern status of your Company and its future operations.

**i. Reporting of frauds**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made thereunder.

**f. Material Changes and Commitments**

There are no material changes or commitments affecting the financial position of your Company which have occurred between the end of the financial year to which the financial statement relates and the date of the report.

**j. Maintenance of Cost Records**

Your Company has made and maintained cost records as specified by the Central Government under sub-section (1) of Section 148 of the Act.

**g. Transfer to Reserves**

Your Company proposes not to transfer any amount to the General Reserve for FY 24.

**h. Significant and Material Orders Passed by the Regulators or Courts**

There are no significant material orders passed by the Regulators / Courts which would impact

**24. CAUTIONARY STATEMENT**

Statements in the Directors' Report describing your Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence your Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax

laws, economic developments within the country and other factors such as litigation and industrial relations.

## 25. APPRECIATION AND ACKNOWLEDGEMENT

Your Company is grateful to the Government of India, the Governments of Maharashtra and Gujarat, the Government of countries where subsidiaries are located and other Regulators for their continued co-operation, support and guidance. Your Company wishes to thank its investors, banking community, rating agencies and

stock exchanges for their support. Your Company would like to take this opportunity to express sincere thanks to all its valued customers, distributors, dealers, agents and suppliers for their continued support and patronage. Your Directors express their deep sense of appreciation to all the employees whose outstanding professionalism, commitment and initiative has made the organisation's growth and success possible and continue to drive its progress. Finally, your Directors wish to express their gratitude to the members for their trust and support.

Navi Mumbai  
May 21, 2024

For and on behalf of the Board

**K. Natarajan**  
Managing Director  
DIN: 07626680

**Vaijanath Kulkarni**  
Executive Director & COO  
DIN: 07626842

## ANNEXURE A

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

#### A. CONSERVATION OF ENERGY

##### i. The steps taken or impact on conservation of energy:

With continual improvement reflecting in energy management KPI's, your Company has achieved overall reduction by 2% in specific energy consumption primarily from "More from Less" themes. Taloja facility received Excellent Energy Efficient award for 3<sup>rd</sup> consecutive year from CII and was also rewarded with NATIONAL LEADER CERTIFICATION. A Capex with significant amount on digitisation and automation has been approved by Management which also covers Energy Management also. In 2023-24, on similar lines, Modelling through IoT software's for significant energy users (SEU) in utilities mainly in chillers and compressors was implemented to improve on detection and reporting of energy related deviations.

##### ii. The steps taken for utilising alternate sources of energy:

In order to move towards long-term sustainability goals defined by your Company, major milestones have been achieved with Jhagadia plant getting necessary regulatory approvals to run with 50% of its requirement through renewable power procured through group captive mechanism. Similarly, process of enhancement of renewable share for Taloja plant from the current 36% to 50% is also underway. With these renewables along with commissioning of Natural Gas based boiler in 2023-24 instead to old coal based boiler, there is significant reduction in scope 1 & 2 GHG emissions. Even Fuel changeover from Furnace Oil to Natural gas has been done for Thermic fluid heater required for process applications and on similar lines we are in process to replace Furnace Oil Gen-set with new 1.5 MW DG running on High Speed Diesel as a fuel.

#### B. TECHNOLOGY ABSORPTION

##### Innovation at Galaxy – A journey of Customer-Centricity and Sustainability

Your Company has embraced sustainability as its core. It is becoming an integral part of our people and in every walk, starting from Boardroom down to the very transactional level of all operations. A mindset, which we are proud of and is replacing the old ways, when the world was not as aware about sustainability. This

is indeed reflecting in the designs of new innovative offerings which are guided by the 12 principles of green chemistry and using sustainable means and fuels for continuous reduction of GHG, caring for the environment, our people and communities around our workplace.

Your Company, this year, is back again with a collection of sustainable products with a clear focus to delight its customers. Galaxy is always committed to staying abreast of the trends in the market, and the new products are designed to entice consumers, by the value they bring, and for the differentiation they create in HPC marketplace. This has been amply borne out with the response from the customers, and the prestigious award your Company won, at a peer competed international conference.

Galaxy Hearth® Fabcon – Fabric Softener formulations globally, most commonly contains Ester Quats, which are disadvantaged in terms of build-up on fabric, thermostability and yellowing. Besides, the manufacturing process of Ester Quats involves the use of hazardous raw materials. On the other hand, Hearth® Fabcon, a Di-amido Quat, is a novel ester-free softener design, which has none of the above limitations. Synthesised from naturally sourced raw materials, the product is relatively of high natural index, and desirably exhibits properties like antistatic, antimicrobial, mildness to fabric & skin, completely biodegradable and helps in retention of fragrance for long on fabrics. (Patent applied)

Galseer® Flexcon is a carefully-crafted, ready-to-use blend of cationic hair conditioning agents, emulsifiers & hair care active ingredients of high natural index, for making high performing hair care products. The special composition effortlessly enables different product formats like sustainable hair conditioning bars, hair mask, liquid hair conditioners, DIY hair conditioning tablets, conditioning shampoos, making it a highly desirable ingredient for formulators. Galseer® Flexcon makes hair silky, smooth, manageable and without frizz, delivering moisturisation and protection against UV damage for maintaining hair strength, leaving consumers with enhanced experience. (Patent applied)

Galseer® DermaGreen is an oil-based transparent cleaning composition for mild cleansing of skin and hair wherein the composition is completely based on bio-renewable sources. The unique composition is based on our patented technology, which ensures that this cleansing system is devoid of all toxic chemicals present in most of the oil-based cleansing compositions

in the market. This product is the epitome of ultra-mild cleansing, especially suitable for people with irritated and compromised skin. The product won Innovation Zone Best Ingredient Award - Silver at an international event; In-Cosmetics Global 2024.

Galsoft Ecocare range of Alkyl Polyglucosides are 100% natural surfactants, exhibiting spectrum of functional properties like wetting, emulsification, degreasing and

detergency. They provide mildness to the formulations, enhance their detergency and emulsification capacity. They are increasingly finding applications across all cleansing formats of Home & Personal Care, particularly where the formulations are required to be mild and natural.

During financial year, 6 patents were granted in different geographies. Additionally, 6 new patent applications are filed.

**Expenditure incurred on Research and Development are given below in table:**

(₹ Crores)		
Particulars	2023-24	2022-23
R & D Expenses	13.70	12.70
Capital Expenditure	2.32	1.76

**C. FOREIGN EXCHANGE EARNINGS & OUTGO**

(₹ Crores)		
Particulars	2023-24	2022-23
Foreign Exchange Inflow	1,193.62	1,414.29
Foreign Exchange Outflow	1,174.45	1,361.96

For and on behalf of the Board

**K. Natarajan**  
Managing Director  
(DIN: 07626680)

**Vaijanath Kulkarni**  
Executive Director & COO  
(DIN: 07626842)

Place: Navi Mumbai  
Date: May 21, 2024



## ANNEXURE B

**Report on Corporate Social Responsibility pursuant to  
Companies (Corporate Social Responsibility Policy) Rules, 2014**

**1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY**

Galaxy strongly believes that Corporate Social Responsibility (CSR) is connected with the principles of sustainability and recognises that its business activities have wide impact on the society in which it operates. Therefore, the Company endeavours to make CSR a key business process for sustainable development, through its integration in the overall business approach.

Galaxy is committed to its stakeholders to conduct its business in a responsible manner that creates a sustained positive impact on society. We further believe that our corporate responsibility lies in embracing core corporate values through commitment to grow in a socially and environmentally responsible way, while meeting the interests of all relevant stakeholders.

**2. COMPOSITION OF CSR COMMITTEE:**

Sr. No.	Name of the Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	U. Shekhar	Chairman, Non-Independent, Non-Executive Director	1	1
2	M.G. Parameswaran	Member, Independent Director	1	1
3	Vaijanath Kulkarni	Member, Executive Director and COO	1	1

**3. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY**

<https://www.galaxysurfactants.com/investor-relations/corporate-governance.aspx>

**4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEBLINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8, IF APPLICABLE**

Not Applicable

<b>5.</b>	<b>(a) Average net profit of the company as per section 135(5)</b>	₹ 243 Crores
	<b>(b) Two percent of average net profit of the company as per sub-section (5) of section 135</b>	₹ 4.86 Crores
	<b>(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years</b>	Not Applicable
	<b>(d) Amount required to be set off for the financial year, if any</b>	Not Applicable
	<b>(e) Total CSR obligation for the financial year [(b)+(c)-(d)]</b>	₹ 4.86 Crores
<b>6.</b>	<b>(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)</b>	₹ 4.67 Crores
	<b>(b) Amount spent in Administrative Overheads</b>	₹ 0.23 Crores
	<b>(c) Amount spent on Impact Assessment, if applicable</b>	NA
	<b>(d) Total amount spent for the Financial Year [(a)+(b)+(c)]</b>	₹ 4.90 Crores

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent in Financial Year (in Crores)	Amount Unspent (in ₹)				
	Total amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
4.90	NIL	NA	NA	NIL	NA

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

Sl. No.	Particular	Amount (₹ Crores)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	4.86
(ii)	Total amount spent for the Financial Year	4.90
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.04
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	Nil*

\*Excess amount spent during this year will not be set-off during the succeeding financial years.

7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

1	2	3	4	5	6	7	8	
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under schedule VII as per second proviso to sub-section (5) of Section 135, if any Amount (in ₹)	Date of Transfer	Amount remaining to be spent in succeeding financial year (in ₹)	Deficiency, if any
Not Applicable								

8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR: No

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner
(1)	(2)	(3)	(4)	(5)	(6)
Not Applicable					

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SUB-SECTION (5) OF SECTION 135

Not Applicable

For and on behalf of the CSR Committee

Navi Mumbai  
May 21, 2024

**U. Shekhar**  
Chairman  
(DIN: 00265017)

**Vaijanath Kulkarni**  
Member  
(DIN: 07626842)

## ANNEXURE C

### NOMINATION AND REMUNERATION POLICY

#### 1. INTRODUCTION

This Policy on Nomination and Remuneration is being formulated in compliance with Section 178 of the Companies Act, 2013 ("the Act") read along with the applicable rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. This policy has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

#### 2. DEFINITIONS

**"Board of Directors" or "Board"** means the collective body of the Directors of the Company.

**"Chief Executive Officer"** (CEO) means Chief Executive Officer as defined under Section 2(18) of 2013 Act.

**"Chief Financial Officer"** (CFO) means Chief Financial Officer as defined under Section 2(19) of 2013 Act.

**"Company Secretary"** (CS) means a Company Secretary as defined in Section 2(24) of 2013 Act.

**"Managing Director"** means a Managing Director as defined in Section 2(54) of 2013 Act.

**"Manager"** means a Manager as defined in Section 2(53) of 2013 Act.

**"Key Managerial Personnel"** means:

1. Managing Director, or Chief Executive Officer or Manager;
2. Company Secretary;
3. Whole Time Director;
4. Chief Financial Officer;
5. Such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
6. Such other officer as may be prescribed.

**"Remuneration"** means any money or its equivalent given or passed to any person for services rendered

by him and includes perquisites as defined under the Income-tax Act, 1961;

**"Senior Management"** means:

the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.<sup>1</sup>

**"Whole-time Director"** means Whole-time Director as defined in Section 2(94) of 2013 Act.

All capitalised terms used in this Policy but not defined herein shall have the meaning ascribed to such term in Companies Act, 2013 and the Rules framed thereunder or in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

#### 3. OBJECTIVES

The objective of the policy is to ensure that:

- a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, key managerial personnel and senior management of the quality required to run the company successfully;
- b) relationship between remuneration and performance is clear and is based on appropriate performance benchmarks; and
- c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

<sup>1</sup> As defined under Regulation 16(1)(d) of the SEBI (LODR) Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2023.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

The composition of the NRC shall be in compliance with the provisions of section 178 of Companies Act, 2013 and regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 5. ROLE OF THE COMMITTEE

**The functional role of the committee is as follows:**

- a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;

<sup>2</sup> For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
- b) formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
  - c) devising a policy on board diversity;
  - d) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal and assist the Company in disclosing the remuneration policy and the evaluation criteria in its annual report;
  - e) deciding 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;

- f) recommend to the board, all remuneration, in whatever form, payable to senior management;<sup>3</sup> and
- g) perform such other activities as may be delegated by the Board of Directors or specified/provided under the Companies Act, 2013 to the extent notified and effective, as amended or by SEBI Listing Regulations or by any other applicable law or regulatory authority.

#### 6. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age limit fixed for retirement under the Company's policy. However, appointment or continuation of appointment of any person or extension of his term beyond the age of seventy years shall be subject to the provisions of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 7. POLICY FOR REMUNERATION TO DIRECTORS/ KMP AND OTHER EMPLOYEES

The Overall remuneration should be reflective of the size of the Company, complexity of the sector/industry/ company's operations, company's capacity to pay the remuneration and applicable provisions, rules under Companies Act 2013 and amendments thereto.

The overall remuneration should be reasonable and sufficient to attract, retain and motivate Directors and employees aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives). Overall remuneration practices should be consistent with recognised best practices in the industry.

<sup>2</sup> Inserted w.e.f. March 24, 2022.

<sup>3</sup> As inserted in SEBI (LODR) (Amendment) Regulations, 2018 dated May 9, 2018 effective April 1, 2019

### A. Remuneration to Managing Director / Whole-time Directors

- a) The Remuneration / Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The remuneration shall be based on Company's performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters.
- c) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.
- d) The approval of the Shareholders / Central Government shall be sought if required, for payment of remuneration to Managing / Whole-time Directors to comply with statutory provisions.

### B. Remuneration to Non-Executive / Independent Directors

Independent Directors ("ID") and Non-Independent Non-Executive Directors ("NED") may be paid sitting fees for attending the meetings of the Board and of committees of which they may be members. NED may be paid commission within regulatory limits as may be decided and approved by the Board. Quantum of sitting fees may be subject to review on a periodic basis, as required. Within the parameters prescribed by law, the amount of sitting fees and commission will be recommended by the Nomination and Remuneration Committee and approved by the Board.

In addition to the remuneration, sitting fees and commission (as the case may be) the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director on behalf of the Company while performing his/her role as a Director of the Company.

### C. Remuneration to Key Managerial Personnel and Other employees:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and variable pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- c) The variable pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

### 8. EVALUATION/ASSESSMENT OF DIRECTORS / KMP'S / SENIOR OFFICIALS OF THE COMPANY

The Committee shall specify the manner for effective evaluation of performance of Board of Directors, its Committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance.

The evaluation/assessment of the performance of the Board, Board Committees and Directors shall be done on the guiding criteria annexed with this policy as Annexure "A".

### 9. REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

### 10. RETIREMENT

The Director, KMP and Senior Management personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Company's management shall have the discretion to retain the Director, KMP, Senior Management personnel as retainer or consultant on remuneration as may be decided by the management of the Company even after attaining the retirement age, for the benefit of the Company.

**ANNEXURE D**  
**FORM NO. 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)

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 arm's-length transactions under third proviso thereto for FY 2023-24

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

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Sr.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
There are no contracts or arrangements or transactions entered during the year ended March 31, 2024 which were not at arm's-length basis								

**2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S-LENGTH BASIS**

	(a)	(b)	(c)	(d)	(e)	(f)
Sr.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Amit Ramakrishnan, son of Mr. G. Ramakrishnan, Promoter and Director	Appointment of Mr. Amit Ramakrishnan in TRI-K Industries Inc., wholly-owned subsidiary	3 years from April 1, 2024	As per resolution no. 2 approved through postal ballot on January 16, 2024	November 10, 2023	NIL
2	Mr. G. Ramakrishnan, Promoter and Director	Appointment as strategic advisor of the Company	Up to three years from June 1, 2022	As per resolution no. 09 approved in the 36 <sup>th</sup> AGM of the Company	May 17, 2022	NIL

For and on behalf of the Board

Place: Navi Mumbai  
Date: May 21, 2024

**K. Natarajan**  
Managing Director  
(DIN: 07626680)

**Vaijanath Kulkarni**  
Executive Director & COO  
(DIN: 07626842)

**ANNEXURE E**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2024**

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

To,  
The Members,  
**Galaxy Surfactants Limited**  
**CIN: L39877MH1986PLC039877**  
C-49/2, TTC, Industrial Area, Pawne,  
Navi Mumbai – 400703.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Galaxy Surfactants Limited** (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances/ Board Processes for expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised 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 **March 31, 2024**, 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 **March 31, 2024** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable to the extent of Foreign Direct Investments and External Commercial Borrowings as there was no reportable event;**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable as there was no reportable event during the period under review;**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not Applicable as the Company has not issued any shares / options to directors / employees under the said Guidelines/Regulations during the period under review;**
  - e. 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 - **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent;**
  - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable as the Company has not delisted / proposed to delist its equity shares from any Stock Exchange during the period under review;**
  - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable as the Company has not bought back/proposed to buy-back any of its securities during the period under review;**
  - h. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not Applicable as the**

**Company has not issued and listed any non-convertible securities;**

- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.
- vi. The Company has identified the following laws/rules as specifically applicable to the Company:
  1. The Drugs and Cosmetics Act, 1940;
  2. The Arms Act, 1959;
  3. The Explosives Act, 1884;
  4. The Narcotic Drugs and Psychotropic Substances Act, 1985;
  5. The Indian Boiler Act, 1923;
  6. The Petroleum Act, 1934;
  7. The Static & Mobile Pressure Vessels (Unfired) Rules, 2016;
  8. The Legal Metrology Act, 2009;
  9. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016.

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) Listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

We further report that: -

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent

Directors including at least one Independent Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notice is given to all Directors of the schedule of the Board/Committee Meetings and agenda and detailed notes on agenda were sent at least seven days in advance except where consent of directors was received for circulation of the notice, agenda and notes on agenda at a shorter notice. System exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions of the Board and Committee meetings were carried with requisite majority.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting, we are of the opinion that the Company has adequate systems and processes in place in the Company which is commensurate with its size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that during the review period, there was no specific event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

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

For **S. N. ANANTHASUBRAMANIAN & Co.**

Company Secretaries  
ICSI Unique Code: P1991MH040400  
Peer Review Cert. No.: 5218/2023

**S. N. Viswanathan**

Partner

ACS: 61955 | COP No.: 24335  
ICSI UDIN: A061955F000408565  
May 21, 2024 | Thane



## Annexure – A

To,  
The Members,  
Galaxy Surfactants Limited  
CIN: L39877MH1986PLC039877  
C-49/2, TTC, Industrial Area, Pawne,  
Navi Mumbai – 400703.

Our Secretarial Audit Report for the financial year ended **March 31, 2024** of even date is to be read along with this letter.

### MANAGEMENT'S RESPONSIBILITY

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### AUDITOR'S RESPONSIBILITY

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
6. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, etc.

### DISCLAIMER

7. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
8. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For **S. N. ANANTHASUBRAMANIAN & Co.**

Company Secretaries  
ICSI Unique Code: P1991MH040400  
Peer Review Cert. No.: 5218/2023

**S. N. Viswanathan**

Partner  
ACS: 61955 | COP No.: 24335  
ICSI UDIN: A061955F000408565  
May 21, 2024 | Thane

## ANNEXURE F

Particulars of Employees pursuant to section 197(12) of the Companies Act, 2013 read with rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;*	Mr. U. Shekhar <sup>&amp;</sup>	59.20
		Mr. K. Natarajan	59.20
		Mr. Vaijanath Kulkarni	59.20
		Mr. G. Ramakrishnan	3.68
		Mr. Subodh Nadkarni	4.64
		Mr. M. G. Parameswaran	5.18
		Ms. Nandita Gurjar	3.82
		Mr. Shashikant Shanbhag	3.00
		Mr. Kanwar Bir Singh Anand	4.23
		Mr. Madhavan Hariharan <sup>@</sup>	2.96
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;**	Mr. U. Shekhar <sup>&amp;</sup>	14.00%
		Mr. K. Natarajan	14.00%
		Mr. Vaijanath Kulkarni	14.00%
		Mr. Abhijit Damle (CFO)	34.90%
		Mr. Niranjana Ketkar (CS)	7.00%
(iii)	The percentage increase in the median remuneration of employees in the financial year;	9.90%	
(iv)	The number of permanent employees on the rolls of company; <sup>§</sup>	1,762	
(v)	Average percentile increase 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; <sup>%</sup>	Average percentile increase in salaries of employees other than managerial personnel	15.18%
		Percentile increase in salaries of managerial personnel <sup>^</sup>	14.00%
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration is as per the remuneration policy of the company.	

\* Calculated on the basis of Annual CTC including full variable pay in case of Executive Directors and sitting fees and commission in case of Non Executive Directors. Remuneration paid to Non Executive Directors working in executive capacity in subsidiaries has not been considered.

\*\* Given only for Executive Directors, Chief Financial Officer and Company Secretary

§ As on March 31, 2024

^ Whole time Directors

% Calculated on the basis of Annual CTC of common employees in two years.

@ Mr. Madhavan Hariharan was appointed as an Independent Director w.e.f. May 23, 2023

& Mr. Shekhar was Managing Director till February 17, 2024 and thereafter continued as Non-Executive, Non-Independent Director

For and on behalf of the Board

Place: Navi Mumbai  
Date: May 21, 2024

**K. Natarajan**  
Managing Director  
(DIN: 07626680)

**Vaijanath Kulkarni**  
Executive Director & COO  
(DIN: 07626842)

# CORPORATE GOVERNANCE REPORT

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is the foundation of great organisations. Your Company is committed to the highest standards of Corporate Governance in all its activities and processes. It regards Corporate Governance as the cornerstone for sustained management performance and as a responsibility towards all the stakeholders and society. At the heart of the Company's Corporate Governance policy, the ideology is of transparency and openness in the effective working of the Management and Board.

This report is in compliance with Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as (SEBI (LODR) Regulations)).

## 2. BOARD OF DIRECTORS

The Board of Directors is constituted in compliance with the provisions of Companies Act, 2013 ("the Act") and Regulation 17 of the SEBI (LODR) Regulations.

The Board of Directors function as a full board and also through various committees constituted to oversee specific operational areas. Company's executive management provides the Board of Directors detailed reports on its performance periodically.

### Composition of Board of Directors

As on March 31, 2024, the Board consisted of 10 (Ten) Directors, comprising 5 (Five) Independent Directors (including one woman director), 2 (Two) Executive Directors, 3 (Three) Non-Executive Directors.

The maximum tenure of the Independent Directors is in compliance with the Act and SEBI (LODR) Regulations. All Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1) (b) of SEBI (LODR) Regulations and Section 149(6) of the Act.

The Management of your Company has made disclosures to the Board confirming that there are no material, financial and commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

None of the Directors is a director in more than 10 public limited companies (as specified in section 165 of the

Act) or acts as an Independent Director in more than 7 listed companies or 3 listed companies in case he/ she serves as Whole-time Director in any listed company (as specified in Regulation 17A of SEBI (LODR) Regulations). None of Executive Directors are serving as an Independent Director in any other listed entity.

Further none of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees as specified in Regulation 26 of SEBI (LODR) Regulations.

The Board of Directors on the recommendation of Nomination and Remuneration Committee in its meeting held on May 23, 2023 appointed Mr. Madhavan Hariharan as Independent Director of the Company. The said appointment was also approved by the Members at their 37<sup>th</sup> Annual General Meeting held on August 10, 2023. Mr. Subodh Nadkarni, Mr. M. G. Parameswaran, Mr. Kanwar Bir Singh Anand and Ms. Nandita Gurjar (Woman Director) are the other Independent Directors of the Company.

Mr. U Shekhar has completed his term as Managing Director on February 17, 2024. The Board of Directors on recommendation of Nomination and Remuneration Committee in its meeting held on November 10, 2023 appointed Mr. K. Natarajan as the Managing Director of Company and Mr. Vaijanath Kulkarni was redesignated as the Executive Director and Chief Operating Officer w.e.f. February 18, 2024. The said appointments were approved by members through Postal Ballot on January 16, 2024. Subsequent to appointment of Mr. K. Natarajan as a Managing Director, Mr. Vaijanath Kulkarni was redesignated as the Executive Director and Chief Operating Officer w.e.f. February 18, 2024.

Mr. G. Ramakrishnan and Mr. Shashikant Shanbhag are other Non-Executive and Non-Independent Directors.

Annual General Meeting and Board Meetings held during the year and attendance of Directors at the said meetings

During the financial year ended on March 31, 2024, 6 (Six) meetings of Board of Directors were held on May 23, 2023, August 11, 2023, November 10, 2023, February 12, 2024, March 20, 2024 and March 21, 2024. 1 (one) meeting of Independent Directors was held on March 20, 2024.

Details of the directors and their attendance at the above-mentioned Board meetings and at the last Annual General Meeting held on August 10, 2023 through VC/OAVM are given below:

Name	Category of Director Executive Director (ED), Non-Executive Director (NED), Independent Director (ID)	Total Board Meetings held during the year	No. of Board Meetings attended during the year	Attendance of last AGM held on August 10,2023	No. of Directorships in other public limited companies	No. of committee* positions held in other public limited companies		Names of the listed entities where the person is a director and the category of Directorship
						Chairman	Membership	
Mr. M. G. Parameswaran	NED and ID	6	6	Yes	2	NIL	1	1) FDC Ltd. (ID)
Mr. U. Shekhar	Promoter/NED	6	6	Yes	NIL	NIL	NIL	NIL
Mr. K. Natarajan	MD/ED	6	6	Yes	NIL	NIL	NIL	NIL
Mr. G.Ramakrishnan	Promoter/ NED	6	6	Yes	1	NIL	1	NIL
Mr. Vajjanath Kulkarni	ED	6	6	Yes	NIL	NIL	NIL	NIL
Mr. Subodh Nadkarni	NED and ID	6	6	Yes	2	1	2	1) Grindwell Norton Ltd. (ID) 2) Goa Carbon Ltd. (ID)
Ms. Nandita Gurjar	NED and ID	6	6	Yes	1	NIL	1	1) Yes Bank Ltd. (ID)
Mr. Shashikant Shanbhag	Promoter/ NED	6	6	Yes	NIL	NIL	NIL	NIL
Mr. Kanwar Bir Singh Anand	NED and ID	6	5	Yes	5	1	5	1) Tata Chemicals Ltd. (ID) 2) Borosil Ltd. (ID) 3) Lupin Ltd. (ID) 4) Bharat Forge Ltd. (ID) 5) UFO Moviez India Ltd. (ID)
Mr. Madhavan Hariharan#	NED and ID	6	5	Yes	NIL	NIL	NIL	NIL

\*only Audit Committee and Stakeholders Relationship Committee are considered for the purpose.

# Mr. Madhavan Hariharan has been appointed as an Independent Director w.e.f. May 23, 2023.

### Disclosure of relationships between Directors inter-se

None of the Directors are related to each other within the meaning of “relative” under section 2(77) of the Act.

### Number of shares and convertible instruments held by Non- Executive Directors

The details of equity shares of the Company held by Non-Executive directors as on March 31, 2024, are as under:

Name of Director	Category of Director	No. of equity shares held
Mr. U. Shekhar <sup>§#</sup>	Promoter, Non-Executive	42,26,740
Mr. G. Ramakrishnan <sup>§#</sup>	Promoter, Non-Executive	23,62,783
Mr. Subodh Nadkarni	Independent	30,000
Mr. M. G. Parameswaran	Independent	30,000
Ms. Nandita Gurjar	Independent	Nil
Mr. Kanwar Bir Singh Anand	Independent	Nil
Mr. Madhavan Hariharan	Independent	Nil
Mr. Shashikant Shanbhag <sup>§#</sup>	Promoter, Non-Executive	40,97,684

§ Mr. Shashikant Shanbhag, Mr. G. Ramakrishnan, Mr. U. Shekhar, Promoter and Non-Executive Directors and legal heirs of late Ms. Sandhya Patil (wife of Promoter, late Mr. Sudhir Patil) are partners in the partnership firm namely M/s Galaxy Chemicals. The said partnership firm is holding 77,52,850 equity shares of the Company. (The shares held by late Mrs. Sandhya Patil in M/s Galaxy Chemicals are in the process of transmission to her legal heirs to be beneficially held by M/s Galaxy Chemicals.)

# Mr. Shashikant Shanbhag , Mr. G. Ramakrishnan and Mr. U. Shekhar, Promoter and Non-Executive Directors are shareholders in Galaxy Emulsifiers Private Limited which holds 5,43,000 equity shares of the Company.

## Familiarisation programmes imparted to Independent Directors

A policy on familiarisation of independent directors is formed and is available under the investor section on the Company's website [www.galaxysurfactants.com](http://www.galaxysurfactants.com).

Details of familiarisation programme imparted to Independent Directors has also been uploaded under the investor section on the Company's website [www.galaxysurfactants.com](http://www.galaxysurfactants.com).

## Skills & Competencies

The Board of your Company has identified the following Skills / Expertise / Competencies that are required in the context of the business of the Company:

The Directors are having above specified Skills/Expertise/Competencies which are required in the context of the Company are as follows:

Skills / Expertise / Competencies	M. G. Parameswaran	Subodh Nadkarni	Nandita Gurjar	U. Shekhar	K. Natarajan	Vaijanath Kulkarni	G. Ramakrishnan	Shashikant Shanbhag	KBS Anand	Madhavan Hariharan
Knowledge of Company's business and the industry in which the Company operates.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Management and Administration Skills	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Finance		✓			✓		✓	✓		✓
Sales & Marketing	✓	✓		✓	✓	✓	✓	✓	✓	
Information Technology & System			✓		✓				✓	
HRM	✓	✓	✓	✓		✓	✓	✓		
Manufacturing		✓		✓		✓			✓	
Legal & Secretarial		✓					✓			✓
Innovation				✓		✓	✓	✓		
Project Management		✓		✓		✓			✓	✓
Competencies which enable taking business decisions and exercising prudent judgement on business matters	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

The Board hereby confirms that the Independent Directors fulfil the conditions specified in SEBI (LODR) Regulations and are independent of the management.

None of the Independent Directors resigned before the expiry of their tenures. Mr. Subodh Nadkarni and Mr. M. G. Parameswaran who completed their first term were re-appointed as independent Directors at the 33<sup>rd</sup> AGM held on August 13, 2019 for second term of five years respectively and Ms. Nandita Gurjar who completed her first term was re-appointed at the 34<sup>th</sup> AGM held on September 08, 2020 for second term of five years. Mr. Kanwar Bir Singh Anand was appointed as an Independent Director at the 36<sup>th</sup> AGM for the first term of

1. Knowledge of Company's business and the industry in which the Company operates.
2. Finance, management and administration skills.
3. Technical / Professional knowledge in functional areas like Finance/ HR / Legal / Manufacturing / Marketing / Innovation / Project management etc.
4. Competencies which enable taking business decisions and exercising prudent judgement on business matters like strategic thinking, business acumen, managing risk, networking, powerful questioning, conflict management etc.

5 years w.e.f. August 5, 2022. Mr. Madhavan Hariharan was appointed as Independent Director for first term of 5 years w.e.f. May 23, 2023 and his appointment was approved by members at the 37<sup>th</sup> AGM held on August 10, 2023.

## 3. AUDIT COMMITTEE

The Company has complied with the provisions of section 177 of the Act and Regulation 18(1) of SEBI (LODR) Regulations applicable to the Audit Committee. The Audit Committee has 5 (five) members i.e. Mr. Subodh Nadkarni (Chairman), Mr. M. G. Parameswaran, Mr. Kanwar Bir Singh Anand, Mr. G. Ramakrishnan and Mr. Madhavan Hariharan. All the members of the Audit

Committee are financially literate as per the requirement of the Regulations.

During the financial year ended March 31, 2024, 4 (four) meetings of the Audit Committee were held on May 23, 2023, August 11, 2023, November 10, 2023 and February 12, 2024.

#### Attendance at Audit Committee Meetings:

Name of the Members	No. of Meetings attended
Mr. Subodh Nadkarni (Chairman)	4/4
Mr. M. G. Parameswaran	4/4
Mr. Kanwar Bir Singh Anand	4/4
Mr. G. Ramakrishnan	4/4
Mr. Madhavan Hariharan <sup>^</sup>	1/1

<sup>^</sup> Mr. Madhavan Hariharan was appointed as a member w.e.f. November 11, 2023.

The terms of reference of the Audit Committee, are as under:

1. oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. reviewing the financial statements with respect to its subsidiaries, in particular investments made by the unlisted subsidiaries;
4. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
5. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board of Directors for approval, with particular reference to:
  - a. matters required to be included in the Directors Responsibility Statement to be included in the Board of Director's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgement by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
6. reviewing, with the management, the quarterly financial statements before submission to the Board of Directors for approval;
7. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board of Directors to take up steps in this matter;
8. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
9. approval of any subsequent modification of transactions of the company with related parties;
10. scrutiny of inter-corporate loans, investments and guarantees;
11. valuation of undertakings or assets of the company, wherever it is necessary;
12. evaluation of internal financial controls and risk management systems;
13. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. discussion with internal auditors of any significant findings and follow up there on;
16. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors;
17. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. looking into the reasons for substantial defaults in the payment to depositors, debenture holders,

shareholders (in case of non-payment of declared dividends) and creditors;

19. reviewing the functioning of the whistle blower mechanism;
20. overseeing the vigil mechanism established by the Company, with the chairman;
21. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
22. review of utilisation of loans and/or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments;
23. review of compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively; and
24. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
25. carrying out any other function as is mentioned in the terms of the Audit Committee.

The minutes of the Audit Committee Meeting are noted on regular basis by the Board of Directors.

The Chairman of the Audit Committee Mr. Subodh Nadkarni was present at the last Annual General Meeting of the Company held on August 10, 2023 to answer queries of the shareholders.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

The Company has complied with the section 178 of the Act and Regulation 19 of SEBI (LODR) Regulations applicable to Nomination and Remuneration Committee ("NRC"). The Committee comprises of 5 (five) Independent Directors i.e. Ms. Nandita Gurjar (Chairperson), Mr. Subodh Nadkarni, Mr. M.G. Parameswaran, Mr. Kanwar Bir Singh Anand and Mr. Madhavan Hariharan. The Committee meets the criteria as laid down under the Act and SEBI (LODR) Regulations.

During the financial year ended March 31, 2024, 5(Five) meetings of the NRC were held on May 23, 2023, August 10, 2023, September 13, 2023, November 09, 2023 and March 20, 2024.

#### Attendance at NRC meetings

Name of the Members	No. of Meetings attended
Ms. Nandita Gurjar (Chairperson)	5/5
Mr. Subodh Nadkarni	5/5
Mr. M.G. Parameswaran	5/5
Mr. Kanwar Bir Singh Anand	5/5
Mr. Madhavan Hariharan <sup>^</sup>	1/1

<sup>^</sup> Mr. Madhavan Hariharan was appointed as a member w.e.f. November 11, 2023

The terms of reference of the NRC are as under:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates
2. formulation of criteria for evaluation of Independent Directors and the Board of Directors;
  3. devising a policy on board diversity;
  4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal and assist the Company in disclosing the remuneration policy and the evaluation criteria in its annual report;
  5. deciding whether to extend or continue the term of appointment of the Independent Director, on the

basis of the report of performance evaluation of Independent Directors;

6. recommend to the Board, all remuneration in whatever form, payable to senior management; and
7. perform such other activities as may be delegated by the Board of Directors or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by SEBI Listing Regulations or by any other applicable law or regulatory authority.

Ms. Nandita Gurjar, Chairperson of the Committee was present at the last Annual General Meeting held on August 10, 2023 to answer queries of the Shareholders.

## 5. REMUNERATION OF DIRECTORS

Remuneration paid to Executive Directors during the FY 2023-24

				₹ Crores
Name of Director	Salary	Commission <sup>@</sup>	Perquisites	Total
U. Shekhar*	3.86	0.91	0.18	4.95
K. Natarajan	2.00	0.91	0.06	2.98
Vaijanath Kulkarni	2.01	0.91	0.00	2.93

\* Mr. U. Shekhar has completed his term as Managing Director on February 17, 2024 and thereafter, has continued to be Non-Executive and Non-Independent Director. Payment made to Mr. U. Shekhar also includes retirement benefits.

<sup>@</sup> Paid during the financial year 2023-24

There is no provision for payment of severance fee to Executive Directors at the time of their cessation of directorship.

### Sitting fees and commission paid to Non-Executive Directors during the FY 2023-24

				₹ Crores
Name of Non-Executive Director	Sitting Fees	Commission	Others	Total
Mr. M. G. Parameswaran	0.14	0.15	-	0.28
Mr. Subodh Nadkarni	0.14	0.12	-	0.26
Ms. Nandita Gurjar	0.09	0.12	-	0.21
Mr. G. Ramakrishnan	0.08	0.12	0.90*	1.10
Mr. Shashikant Shanbhag	0.05	0.12	-	0.17
Mr. Kanwar Bir Singh Anand	0.11	0.08	-	0.19
Mr. Madhavan Hariharan <sup>\$</sup>	0.06	-	-	0.06

<sup>\$</sup> Mr. Madhavan Hariharan was appointed as an Independent Director w.e.f. May 23, 2023

\* fees paid to Mr. G. Ramakrishnan as a strategic advisor.

The above does not include any payment made by the subsidiaries to the directors of the parent company who are appointed on the Board of subsidiaries and/ or at any office or place of profit in the subsidiaries pursuant to the approval given by the members.

Criteria for making payments to Non-Executive directors is available on the Company's website [www.galaxysurfactants.com](http://www.galaxysurfactants.com).

The Company has not granted any stock option to any of its Non-Executive directors.

## Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Committee of the Board of Directors have formulated criteria for evaluation of the performance of Directors including Independent Directors. Pursuant to the provisions of the Act and the SEBI (LODR) Regulations, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its committees, culture, execution and performance of specific duties, obligations and governance. The Board has carried out the annual performance evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act and Regulation 17 (10) of the SEBI (LODR) Regulations.

## 6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has complied with the Section 178 of the Act and Regulation 20 of the SEBI (LODR) Regulations applicable to the Stakeholders' Relationship Committee ("SRC"). The Committee comprises of 3 (three) directors i.e. Mr. M. G. Parameswaran (Chairman), Mr. G. Ramakrishnan and Mr. K. Natarajan. During the financial year ended March 31, 2024, 1 (one) meeting of SRC was held on May 22, 2023.



## Attendance at SRC Meetings

Name of Director	No. of Meetings attended
Mr. M. G. Parameswaran (Chairman)	1/1
Mr. G. Ramakrishnan	1/1
Mr. K. Natarajan	1/1

The terms of reference to SRC are as under:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new duplicate certificates, general meetings etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The status of complaints received from the investors during the year is as follows

Particulars of Complaints	Complaint Nos.
Complaints as on April 1, 2023	Nil
Complaints received during the financial year 2023-24	Nil
Complaints disposed during the financial year 2023-24	Nil
Complaints remaining unsolved as on March 31, 2024	Nil
Complaints not solved to the satisfaction of shareholder	Nil

Mr. M. G. Parameswaran, Chairman of the Committee was present at the last Annual General Meeting held on August 10, 2023 to answer queries of the Shareholders.

Mr. Niranjan Ketkar, Company Secretary, is the Compliance Officer of the Company.

## 7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has complied with section 135 of the Act applicable to Corporate Social Responsibility Committee ("CSRC"). The Committee comprises of 3 (three) directors viz. Mr. U. Shekhar (Chairman), Mr. M. G. Parameswaran and Mr. Vaijanath Kulkarni.

During the financial year ended March 31, 2024, 1 (one) meeting of CSRC was held on May 22, 2023.

## Attendance at CSRC Meeting

Name of Director	No. of Meetings attended
Mr. U. Shekhar (Chairman)	1/1
Mr. M. G. Parameswaran	1/1
Mr. Vaijanath Kulkarni	1/1

The terms of reference of CSRC are as under:

1. formulate and recommend to the Board of Directors, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
2. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
3. monitor the corporate social responsibility policy of the Company and its implementation from time to time; and
4. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

## 8. RISK MANAGEMENT COMMITTEE

The Company has complied with the Regulation 21 of the SEBI (LODR) Regulations applicable to Risk Management Committee ("RMC"). The Committee comprises of 5 (Five) members i.e. Mr. Vaijanath Kulkarni, Chairman & Chief Risk Officer, Mr. K. Natarajan, Mr. Subodh Nadkarni, Mr. Garikiparthi Sesha Samba Murthy and Mr. Abhijit Damle.

During the financial year ended March 31, 2024, 2 (two) meetings of RMC were held on September 07, 2023 and March 01, 2024.

## Attendance at RMC Meetings

Name of Member	No. of Meetings attended
1. Mr. Vaijanath Kulkarni (Chairman and Chief Risk Officer)	2/2
2. Mr. K. Natarajan	2/2
3. Mr. Subodh Nadkarni	2/2
4. Mr. Garikiparthi Sesha Samba Murthy	2/2
5. Mr. Abhijit Damle	2/2

The terms of reference of RMC are as under:

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

## 9. PARTICULARS OF SENIOR MANAGEMENT PERSONNEL

Name of Senior Management Personnel	Designation
Mr. Anand Gurav	Head- Business Commercial and Operations
Mr. Yogesh Kalra	Vice President- Business Creation
Mr. Kamaljit Sahota	Head- IT and Communication Management
Mr. Sagar Trailokya	Vice President- Quality
Mr. Garikiparthi Sessa Samba Murthy	Vice President- Conversion
Mr. Sumeet Madwaikar	Senior General Manager- Commercial Operations and Budgetary Control

Name of Senior Management Personnel	Designation
Mr. Vinod Singh	Head- People Energy Process and CSR
Mr. Tarun Bhargava	Head- Global Customer Delight
Mr. Avinash Nandanwar	Head- Sourcing and Sustainability
Mr. Rajib Bhattacharjee*	Vice President- Business Development
Mr. Bharat Parab	General Manager- Innovation
Mr. Abhijit Damle	Chief Financial Officer
Mr. Niranjana Ketkar	Company Secretary

\* Appointed w.e.f. December 11,2023

## 10. GENERAL BODY MEETINGS

- (a) The details of last three Annual General Meetings are as follows

Meeting	Day, Date	Time	Venue
35 <sup>th</sup> AGM	Wednesday, September 08, 2021	3.00 p.m.	Meeting was conducted through video conferencing / other audio visual means
36 <sup>th</sup> AGM	Friday, August 05,2022	3.00 p.m.	Meeting was conducted through video conferencing / other audio visual means
37 <sup>th</sup> AGM	Thursday, August 10,2023	2.30 p.m.	Meeting was conducted through video conferencing / other audio visual means

- (b) Special resolutions passed in the previous three Annual General Meetings

Date of AGM	Details of Special Resolution
35 <sup>th</sup> AGM	• NIL
36 <sup>th</sup> AGM	• To approve the appointment of Mr. Kanwar Bir Singh Anand (DIN: 03518282) as an Independent Director w.e.f. August 5, 2022.
37 <sup>th</sup> AGM	• To approve appointment of Mr. Madhavan Hariharan (DIN: 07217072) as an Independent Director w.e.f. May 23, 2023.

- (c) During the year, there was no special resolution passed through postal ballot. Three ordinary resolutions were approved through postal ballot on January 16, 2024.

## 11. MEANS OF COMMUNICATION

The quarterly/ annual results are published in Business Standard and Mumbai Lakshdeep (a Marathi Daily published from Mumbai). The Annual Report, Quarterly results/ Half Yearly Result and Audited Financial Statements, the press releases of the Company, Investors Presentations, and/or any other updates are also uploaded on the Company's website- [www.galaxysurfactants.com](http://www.galaxysurfactants.com).

Presentations made for institutional investors as well as transcripts of the conference calls which are arranged by the Company are uploaded on the website- [www.galaxysurfactants.com](http://www.galaxysurfactants.com).

The Company's website [www.galaxysurfactants.com](http://www.galaxysurfactants.com) has a separate section for investors where shareholders information is available.

The Company also has a separate email id viz. [investorservices@galaxysurfactants.com](mailto:investorservices@galaxysurfactants.com), for investor grievances.

## 12. GENERAL SHAREHOLDER INFORMATION

### a) Annual General Meeting

38<sup>th</sup> Annual General Meeting will be held on Wednesday, August 07, 2024 through Video conferencing or OAVM at 02:30 p.m. (IST)

### b) Financial Year

The Company follows financial year of 12 months starting from April 1 and ending on March 31.

### e) Market price data- high, low during each month in last financial year-

Month Wise Stock Market Data

National Stock Exchange of India Limited				BSE Limited			
Month	High Price (₹)	Low Price (₹)	Volume (Nos.) (in lakhs)	Month	High Price (₹)	Low Price (₹)	Volume (Nos.) (in lakhs)
Apr-23	2590.00	2295.45	4.99	Apr-23	2591.55	2300.00	0.25
May-23	2699.00	2420.55	2.91	May-23	2694.00	2438.00	0.31
Jun-23	2978.95	2451.10	6.47	Jun-23	2989.35	2428.00	0.51
Jul-23	2734.40	2546.30	3.59	Jul-23	2732.45	2547.00	0.33
Aug-23	2749.75	2553.60	3.89	Aug-23	2748.95	2552.20	0.31
Sep-23	2791.80	2537.70	4.45	Sep-23	2800.95	2534.20	0.35
Oct-23	2830.00	2505.00	4.89	Oct-23	2831.60	2511.65	0.20
Nov-23	2974.00	2684.05	5.21	Nov-23	2963.95	2696.45	0.22
Dec-23	2866.80	2615.00	5.27	Dec-23	2865.00	2640.10	0.28
Jan-24	2938.55	2627.45	6.55	Jan-24	2932.75	2620.25	1.78
Feb-24	2772.30	2421.00	5.41	Feb-24	2798.25	2422.95	0.29
Mar-24	2543.90	2247.00	1.27	Mar-24	2564.95	2241.10	0.33

Source: NSE and BSE Website

- c) The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)-

The equity shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited

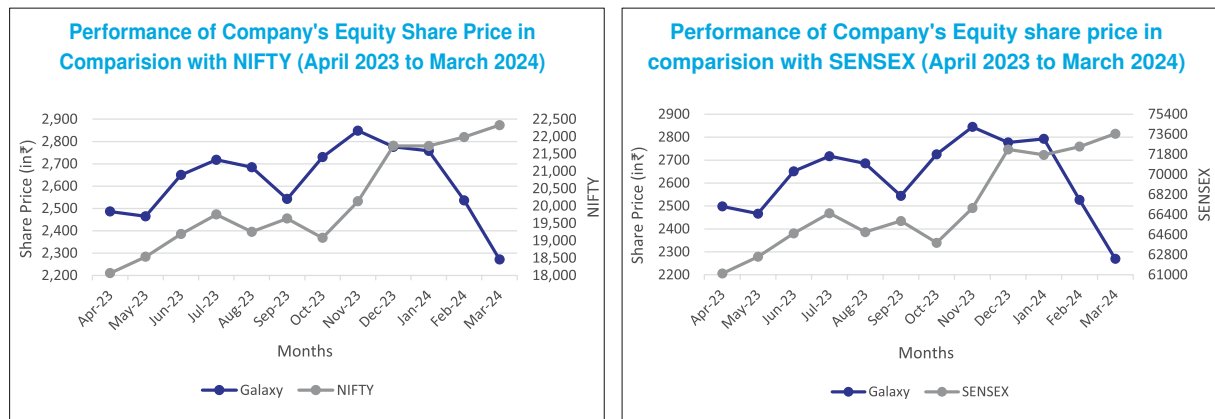
Name of Exchange	Address of Exchange
National Stock Exchange of India Limited	Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

Annual Listing Fees for the financial year 2024-25 have been paid to stock exchanges.

### d) Stock Code

National Stock Exchange of India Ltd.: GALAXYSURF  
BSE Ltd.: 540935

**f) Performance in comparison to broad-based indices such as NIFTY and SENSEX**



**g) Details of unpaid dividend**

Year of the Declaration	Date of declaration of dividend	Proposed date of transfer to IEPF	Dividend per Share (₹)	Amount (In ₹)
Int Div 16-17*	04-03-2017	09-05-2024	3	4,26,435
Fin Div 16-17	17-08-2017	22-10-2024	3	3,64,950
Fin Div 17-18	09-08-2018	14-10-2025	7	7,20,713
Int Div 18-19	29-03-2019	02-06-2026	5	5,50,185
Fin Div 18-19	13-08-2019	18-10-2026	3	3,09,345
Int Div 19-20	16-03-2020	21-05-2027	14	9,34,290
Int Div 20-21	08-02-2021	15-04-2028	14	13,94,354
Fin Div 20-21	08-09-2021	13-11-2028	4	2,50,671
Fin Div 21-22	05-08-2022	10-10-2029	18	15,43,087
Int Div 22-23	11-02-2023	18-04-2030	18	15,87,921
Fin Div 22-23	10-08-2023	15-10-2030	4	2,56,858

\* As required under Section 124 of the Companies Act 2013 (the Act), Unclaimed Interim Dividend for FY 2016-2017 has been transferred to Investor Education and Protection Fund (IEPF) established by Central Government on April 23, 2024.

**h) Share Transfer Agents**

Link Intime India Private Limited  
C 101, 247 Park, Lal Bahadur Shastri Marg,  
Vikhroli (West),  
Mumbai – 400 083  
Tel: +91-22-4918 6000  
Fax: +91-22-4918 6060  
rnt.helpdesk@linkintime.co.in

Depository Services India Limited (CDSL) within the statutory time limit from the date of receipt of share certificates provided the documents are complete in all respects.

**i) Share transfer system**

In terms of the Listing Regulations, effective from April 1, 2019, securities of listed companies can only be transferred in dematerialised form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was lodged prior to April 1, 2019 and returned due to deficiency in the document. Shareholders are advised to dematerialise their shares held by them in physical form. Requests for dematerialisation of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central

Share Transfers are normally processed within the stipulated time (15 days) as mentioned in the SEBI (LODR) Regulations, from the date of receipt, subject to documents being valid and complete in all respects. As per the requirement, the Company obtains certificate from a Company Secretary in Practice to the effect that all certificates have been issued within thirty days of the date of lodgement of the transfer, sub-division, consolidation and renewal as required under Regulation 40(9) of SEBI (LODR) Regulations and file a copy of the said certificate with Stock Exchanges.

The Company files certificates pertaining to maintenance of share transfer agency Regulation 7(3), statement of pending complaints Regulation 13(2) under SEBI (LODR) Regulations with stock exchanges.

**j) Distribution of shareholding**

Shareholding Pattern as on March 31, 2024

Sr. No.	Category of Shareholder	Total number of shares	% of holding
1.	Promoter and Promoter Group	2,51,42,193	70.91
2.	Public Shareholding	1,03,12,559	29.09
	<b>Total</b>	<b>3,54,54,752</b>	<b>100.00</b>

**Distribution of Shareholding (Shares)**

Sr. No.	Range of Shareholding	Shareholder (Folios)	Percentage of Total	Total Shares	Percentage of total
1	1 to 500	58087	98.55	13,39,698	3.78
2	501 to 1000	330	0.56	2,45,312	0.69
3	1001 to 2000	168	0.29	2,50,483	0.71
4	2001 to 3000	129	0.22	3,51,636	0.99
5	3001 to 4000	36	0.06	1,22,576	0.35
6	4001 to 5000	32	0.05	1,46,937	0.41
7	5001 to 10000	73	0.12	5,31,456	1.49
8	10001 & above	86	0.15	3,24,66,654	91.58
	<b>Total</b>	<b>58,941</b>	<b>100.00</b>	<b>3,54,54,752</b>	<b>100.00</b>

**k) Dematerialisation of shares**

Status of dematerialisation of shares as on March 31, 2024 is as under

Mode of holding	No. of shares	% of total shareholding
Dematerialised	3,53,08,412	99.59
Physical	1,46,340	0.41
<b>Total</b>	<b>3,54,54,752</b>	<b>100.00</b>

We request shareholders whose shares are held in the physical mode to dematerialise their shares and update their bank accounts, emails with the respective depository participants.

- l) There are no outstanding global depository receipts or American depository receipts or warrants or any convertible instruments.

**m) Commodity price risk or foreign exchange risk and hedging activities:**

The Company is exposed to Commodity Price Risk and Foreign Exchange Risk arising from its business operations. Currently the Company does not engage in any direct commodity hedging activities. The Company has proper internal systems through which commodity price risk arising on account of operations is monitored and controlled.

As the revenues and expenses are denominated in foreign currency, the Company is also exposed to foreign exchange risks. The Company imports

certain raw materials, the price of which is denominated in foreign currency. The Company also exports its products which that are paid for in foreign currency, which acts as a natural hedge against its imports. The Company also enters into forward contracts / foreign currency borrowings to manage its foreign currency exposures.

**n) Plant locations**

- Plot No. V-23, M.I.D.C. Taloja, Panvel, Dist. Raigad, Pin - 410 208.
- Plot No. 1, Village Chal, CIDCO, Near M.I.D.C. Taloja, Panvel, Dist. Raigad, Pin - 410 208.
- Plot No. 892, Jhagadia Industrial Estate, Taluka-Jhagadia via Ankleshwar, Dist. Bharuch, Gujarat Pin-393 110.
- Plot Nos. W-67 (B), G-59, M-3, M.I.D.C. Tarapur, Post Boisar - 401 506.

**o) Address for correspondence**

Address of the Company	Address of the Registrar and Transfer Agent
Mr. Niranjan Ketkar, Company Secretary Galaxy Surfactants Limited Rupa Solitaire, Ground Floor, Unit No. 8, Millennium Business Park, Mahape Navi Mumbai – 400710 Tel: +91-22-33063700 Fax: +91-22-2761 4507 email: <a href="mailto:investorservices@galaxysurfactants.com">investorservices@galaxysurfactants.com</a>	Link Intime India Private Limited C 101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083 Tel: +91-22-4918 6000 Fax: +91-22-4918 6060 email: <a href="mailto:mumbai@linkintime.co.in">mumbai@linkintime.co.in</a>

**p) Credit rating**

During the year the long term credit rating AA-/Stable was reaffirmed by CRISIL and the short term credit rating A1+ was also reaffirmed by CRISIL. The Company has not issued any debt instruments or fixed deposit during the year.

employee are free to raise concern. No person has been denied access to the Audit Committee.

- (d) Compliance with mandatory requirements and adoption of non-mandatory requirements.

The Company has complied with all mandatory requirements of SEBI (LODR) Regulations.

**13. OTHER DISCLOSURES**

- (a) The Company's related party transactions are mainly with its subsidiaries. All the contracts/arrangements/ transactions entered by the Company during the current financial year with related parties were in the ordinary course of business and at an arms' length basis. None of the transactions entered with the related parties during the financial year were in conflict with Company's interest.

- (e) The Company's policy on Related Party Transactions and the policy Determining Material Subsidiary are uploaded on website of the Company at <https://www.galaxysurfactants.com/investor-relations/corporate-governance.aspx>

- (f) During the year under review, no funds were raised through preferential allotment or by qualified institutions placement as specified under Regulation 32 (7A) of SEBI (LODR) Regulations.

- (b) The Company's equity shares are listed on Stock Exchanges namely National Stock Exchange of India Limited and BSE Limited. There are no non-compliances during the period from listing of shares in relation to capital markets.

- (g) The Company has received certificate from Secretarial Auditor confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of the companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

- (c) The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adapting highest standards of professionalism and ethical behaviour. The Company is committed to developing a culture where it is safe for all directors/ employees to raise concerns about any poor or unacceptable practice and any event of misconduct. Accordingly, the Company has a Whistle Blower Policy in place under which Director/

- (h) During the year, recommendations made to the Board by the Committees were accepted by the Board.

- (i) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part are ₹ 1.88 Cr.

- (j) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

Name of the subsidiary	Date and place of incorporation of the subsidiary	Name and date of appointment of statutory auditors of the subsidiary
Galaxy Chemicals (Egypt) S.A.E	July 14, 2009, Egypt	Kamel Magdy Kamel Saleh from May 08, 2023
TRI-K Industries Inc.	March 8, 1974, New Jersey	Deloitte Haskins & Sells LLP from February 21, 2024

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

Particulars	Number
(a) number of complaints filed during the financial year	1
(b) number of complaints disposed of during the financial year	1
(c) number of complaints pending as on end of the financial year	0

- (l) Disclosure by the company and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: Nil

- (m) The Company has formulated Code of Conduct (Insider Trading) to Regulate, Monitor and Report Trading by Insider based on the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code formulated by the Company is uploaded on the website of the Company at

<https://www.galaxysurfactants.com/investor-relations/corporate-governance.aspx>

- (n) Details of Equity shares in the suspense account as on March 31, 2024 is as under:

(a) Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on April 1, 2023:	13 shareholders holding 2,600 equity shares
(b) Number of shareholders who approached the Company for transfer of shares during the year	1
(c) Number of shareholders to whom shares were transferred from suspense account during the year:	1
(d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year:	3 shareholders holding 1,000 equity shares

Note: 1,500 shares were transferred from Unclaimed Suspense Account to IEPF during FY 2023-24.

The Voting rights of these shares shall remain frozen till the rightful owner of such shares claim the shares.

- (o) Disclosure of certain type of agreements binding listed entities: There are no agreements impacting management or control of the Company or imposing any restriction or create any liability upon the Company.

14. The Company has complied with requirement of Corporate Governance report of sub paras (2) to (10) of part C of Schedule V of SEBI (LODR) Regulations.

15. The disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulations shall be made in the section on Corporate Governance of the Annual Report.

Sr. No.	Particulars	Regulation No.	Compliance Status
1.	Board of Directors	17	Yes
2.	Audit Committee	18	Yes
3.	Nomination and Remuneration Committee	19	Yes
4.	Stakeholders' Relationship Committee	20	Yes
5.	Risk Management Committee	21	Yes
6.	Vigil Mechanism	22	Yes
7.	Related Party Transactions	23	Yes
8.	Subsidiaries of the Company	24	Yes
9.	Obligations with respect to Independent Directors	25	Yes
10.	Obligations with respect to employees including Senior Management, Key Managerial Persons, Directors and Promoters	26	Yes
11.	Other Corporate Governance requirements	27	The posts of Chairman and Managing Director are held by two different persons
12.	Website of the Company	46 2(b) to (i)	Yes

## DECLARATION – CODE OF CONDUCT

Declaration under Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015:

All the members of the Board and the Senior Management Personnel of the Company have for the year ended March 31, 2024, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **Galaxy Surfactants Limited**

Navi Mumbai  
Date: May 21, 2024

**K. Natarajan**  
Managing Director  
(DIN: 07626680)

## CEO/ CFO CERTIFICATE

The Board of Directors  
Galaxy Surfactants Limited  
Navi Mumbai

Dear Sirs/ Madam,

### **Certificate under Regulation 17(8) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.**

- A. We have reviewed financial statements and the cash flow statement for the year 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 violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operations 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) significant changes in the internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board

Place: Navi Mumbai  
Date: May 21, 2024

**K. Natarajan**  
Managing Director  
(DIN: 07626680)

**Abhijit Damle**  
Chief Financial Officer



## INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
**Galaxy Surfactants Limited**

1. This certificate is issued in accordance with the terms of our engagement letter reference no.KR/23-24/0101 dated July 18, 2023.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Galaxy Surfactants Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### MANAGEMENTS' RESPONSIBILITY

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

### AUDITOR'S RESPONSIBILITY

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### OPINION

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2024.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Kedar Raje**  
Partner

(Membership No. 102637)  
(UDIN:24102637BKELXL9827)

Place: Mumbai  
Date: May 21, 2024

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members of  
Galaxy Surfactants Ltd  
C-49/2, TTC, Industrial Area,  
Pawane, Navi Mumbai – 400703.

We have examined the following documents:

- i) Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
- ii) Disclosure of concern or interests as required under Section 184 of the Act;  
(hereinafter referred to as 'relevant documents')

as submitted by the Directors of Galaxy Surfactants Ltd ('the Company') bearing CIN: L39877MH1986PLC039877 and having its registered office at C-49/2, TTC, Industrial Area, Pawane, Navi Mumbai – 400703, to the Board of Directors of the Company ('the Board') for the Financial Year 2023 – 2024 and Financial Year 2024 – 2025 and relevant registers, records, forms and returns maintained by the Company and as made available to us for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10 (i) of SEBI (LODR) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory/ Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorised representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the Financial Year ending March 31, 2024, have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
1.	Mr. Unnathan Shekhar	00265017	20/05/1986	-
2.	Mr. Subodh Satchitanand Nadkarni	00145999	16/08/2002	-
3.	Mr. Melarkode Ganesan Parameswaran	00792123	24/09/2005	-
4.	Mr. Gopalkrishnan Ramakrishnan	00264760	01/11/2009	-
5.	Ms. Nandita Gurjar	01318683	01/02/2015	-
6.	Mr. Natarajan Krishnan Kulumani	07626680	01/10/2016	-
7.	Mr. Vaijanath Kulkarni	07626842	01/10/2016	-
8.	Mr. Shashikant Shanbhag	00265103	10/08/2018	-
9.	Kanwar Bir Singh Anand	03518282	05/08/2022	-
10.	Mr. Madhavan Hariharan	07217072	23/05/2023	-

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.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended March 31, 2024.

For **S. N. ANANTHASUBRAMANIAN & Co.**  
Company Secretaries  
ICSI Unique Code P1991MH040400  
Peer Review Cert. No.: 5218/2023

**S. N. Viswanathan**  
Partner

May 21, 2024  
Thane

ACS: 61955 | COP No.: 24335  
ICSI UDIN: A061955F000408721

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

- 1 Corporate Identity Number (CIN) of the Listed Entity**  
L39877MH1986PLC039877
- 2 Name of the Listed Entity**  
Galaxy Surfactants Limited
- 3 Year of incorporation**  
Tuesday, May 20, 1986
- 4 Registered office address**  
C-49/2, TTC Industrial Area, Pawne, Navi Mumbai, Maharashtra – 400703
- 5 Corporate address**  
C-49/2, TTC Industrial Area, Pawne, Navi Mumbai, Maharashtra – 400703
- 6 E-mail**  
[investorservices@galaxysurfactants.com](mailto:investorservices@galaxysurfactants.com)
- 7 Telephone**  
+91-22-2761 6666
- 8 Website**  
<https://www.galaxysurfactants.com/>
- 9 Financial Year for which reporting is being done**  
April 1, 2023 to March 31, 2024
- 10 Name of the Stock Exchange(s) where shares are listed**  
Equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
- 11 Paid-up Capital**  
₹ 35.45 Cr
- 12 Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR**  
Name : Mr. Harshal Thakare  
Telephone : +91-22-2761 6666  
E-mail : [sustainability@galaxysurfactants.com](mailto:sustainability@galaxysurfactants.com)
- 13 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).**  
Disclosures of Galaxy Surfactants Limited under this report are made on a standalone basis.
- 14 Name of assurance provider**  
Bureau Veritas (India) Private Limited
- 15 Type of assurance obtained**  
Reasonable Assurance

## II. Products/Services

### 16 Details of Business Activities (Accounting for 90% of the Turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1	Manufacture of chemicals and chemical products	Manufacturing of speciality organic chemicals for Home and Personal Care industry	100

### 17 Products/Services sold by the Entity (Accounting for 90% of the Entity's Turnover)

S. No.	Product/Service	NIC Code	% of Total Turnover Contributed
1	Speciality Organic Chemicals for Home and Personal Care	2023*	100

\* As per the National Industrial Classification – Ministry of Statistics and Programme implementation

## III. Operations

### 18 Number of locations where plants and/or operations/offices of the Entity are situated:

Location	Number of Plants	Number of Offices	Total
National	5	4	9
International	2*	1	3

\*Subsidiary Plants

### 19 Markets served by the Entity:

#### a. Number of Locations

Locations	Number
National (No. of States)	Pan-India
International (No. of Countries)	80+

#### b. What is the contribution of exports as a percentage of the total turnover of the Entity?

Export turnover is 44.16% of the total turnover for FY 23-24.

#### c. A brief of types of customers

Galaxy Surfactants Ltd. has a diverse customer base, including leading multinational corporations and small and medium-sized enterprises. Galaxy customers are primarily in the home and personal care sector. Galaxy's customer base spans over 80 countries, including India, the United States, Europe, and Asia-Pacific. In recent times, Galaxy has been exploring the emerging markets of Africa, the Middle East and Turkey. Our products provide some of the critical functional characteristics of consumer-centric personal care and home care products, including shampoos, conditioners, body wash formulations, soap bars, liquid soaps, laundry detergents, and dishwashing products. Our customers maintain strict qualification and/or certification procedures, which typically result in a high degree of collaboration for proficient product development.

## IV. EMPLOYEES

### 20 Details as at the end of the Financial Year:

#### a. Employees and workers (including differently-abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Employees</b>						
1	Permanent (D)	890	730	82	160	18
2	Other than Permanent (E)	37	30	81	7	19
3	<b>Total Employees (D + E)</b>	<b>927</b>	<b>760</b>	<b>82</b>	<b>167</b>	<b>18</b>
<b>Workers</b>						
4	Permanent (F)	872	872	100	0	0
5	Other than Permanent (G)	748	726	97	22	3
6	<b>Total Workers (F + G)</b>	<b>1620</b>	<b>1598</b>	<b>99</b>	<b>22</b>	<b>1</b>

## b. Differently abled Employees and Workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Employees</b>						
1	Permanent (D)	4	3	75	1	25
2	Other than Permanent (E)	0	0	0	0	0
3	<b>Total employees (D + E)</b>	<b>4</b>	<b>3</b>	<b>75</b>	<b>1</b>	<b>25</b>
<b>Workers</b>						
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent (G)	0	0	0	0	0
6	<b>Total Workers (F + G)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 21 Participation/Inclusion/Representation of women

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

## 22 Turnover rate for permanent employees and workers

(Disclose trends for the past three years)

	Turnover Rate in FY 2023-24			Turnover Rate in FY 2022-23			Turnover Rate in FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15%	16%	15%	15%	20%	24%	13%	19%	23%
Permanent Workers	6%	0%	6%	7%	0%	7%	8%	0%	8%

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

## 23 Names of Holding/Subsidiary/Associate Companies/Joint Ventures

S. No.	Name of the Holding/Subsidiary/Associate Companies/Joint Ventures (A)	Indicate whether Holding/Subsidiary/Associate Companies/Joint Ventures	% of Shares Held by the Listed Entity	Does the Entity Indicated in Column A, Participate in the Business Responsibility Initiatives of the Listed Entity? (Yes/No)
1	Galaxy Chemicals Inc*	Subsidiary	100	Yes
2	Galaxy Holdings (Mauritius) Ltd	Subsidiary	100	Yes
3	Galaxy Chemicals (Egypt) S.A.E.	Subsidiary	100	Yes
4	Rainbow Holdings GmbH	Subsidiary	100	Yes
5	TRI-K Industries Inc	Subsidiary	100	Yes
6	Sorion Solar Private Limited	Associate Company	28.49	No

\* The Board in its meeting held in the month of May 2024 has decided to revive the Company.

## VI. CSR Details

## 24 (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013:

Yes

## (ii) Turnover (in ₹)

₹ 2730.64 Cr

## (iii) Net worth (in ₹)

₹ 1405.52 Cr

## VII. TRANSPARENCY AND DISCLOSURE COMPLIANCE

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

Stakeholder Group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then Provide Web-link for Grievance Redressal Policy)	FY 2023-24			FY 2022-23		
		Number of Complaints Filed during the Year	Number of Complaints pending resolution close of the year	Remarks	Number of complaints filed during the Year	Number of Complaints pending resolution close of the year	Remarks
Communities	Yes	Nil	NA	-	Nil	NA	-
Investors (Other than Shareholders)	Yes	Nil	NA	-	Nil	NA	-
Shareholders	Yes	Nil	NA	-	3	Nil	-
Employees and Workers	Yes	1	Nil	-	2	Nil	-
Customers	Yes	NA	NA	-	NA	NA	-
Value Chain Partners	Yes	Nil	Nil	-	Nil	Nil	-
Others (Please Specify)	NA	-	-	-	-	-	-

### 26 Overview of the entity's material responsible business conduct issues

S. No.	Material issues 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	Employee safety, health, and well-being	Risk and opportunity	<ul style="list-style-type: none"> <li>Risk - Process safety hazard</li> <li>Opportunity - Aim to achieve and sustain an incident-free organisation</li> </ul>	<ul style="list-style-type: none"> <li>Launched a behaviour-based safety (BBS) programme to rejuvenate employees' knowledge of safety behaviours.</li> <li>Implementation of ISO 14001:2015 and ISO 45001:2018 at our manufacturing locations.</li> <li>Safety performance is reviewed by higher management in monthly safety meetings and by the Board on quarterly basis.</li> <li>Regularly train employees and contract workers on behavioural safety, fire safety, SCBA, MSDS, EMS, OH&amp;S standards and Responsible Care.</li> <li>Established a dedicated team for Process Safety.</li> </ul>	Focusing on employee safety, health, and well-being will help us in achieving zero accidents and operate manufacturing plants efficiently and effectively for budgeted hours, helping to meet targeted financial goals and objectives.

S. No.	Material issues 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)
2	Water stewardship	Risk and opportunity	<ul style="list-style-type: none"> <li>Risk - water scarcity</li> <li>Opportunity - water disclosure</li> </ul>	<ul style="list-style-type: none"> <li>All our manufacturing units in India are Zero Liquid Discharge facilities.</li> <li>We have taken a multi-faceted approach for water conservation, incorporating a variety of projects such as recycling, condensate recovery, steam recovery, and numerous water stress adaptation projects both within and outside our boundaries.</li> <li>Some of the initiatives related to water stewardship are rainwater harvesting, water conservation projects, drinking water availability, rejuvenation of wells, proper sanitation facilities, check dam creation, desilting of water bodies, and installation of Kedia Farm Pattern (patented) rainwater harvesting structures in farmers' fields.</li> <li>Established mechanisms for monitoring water intake and consumption.</li> </ul>	We are water-positive at the corporate level and have an opportunity to be water-positive at individual sites. Freshwater supply is essential to us for manufacturing of home and personal care products. Water scarcity can affect our operations, which may impact revenue generation.
3	Waste management	Opportunity	Opportunity - Focuses on waste elimination, recycling, and optimum utilisation of resources	<ul style="list-style-type: none"> <li>We continually improve our waste monitoring mechanism.</li> <li>We adopted total productive maintenance (TPM) in 2003</li> <li>We implemented CEPs (Cost Efficiency Projects) and WESAP (Waste Elimination and Suggestion Award Programme).</li> <li>We send hazardous waste to authorised waste management agencies and non-hazardous waste to authorised recyclers for recycling.</li> </ul>	Effective waste management practices can yield valuable materials for reuse, saving costs. Waste also holds significant value that we can harness through innovative recycling and upcycling practices. Proper waste management can also mitigate risks associated with regulatory fines and reputational damage due to environmental harm.
4	Renewable source of electrical power and energy	Risk and opportunity	<ul style="list-style-type: none"> <li>Risk - Climate change</li> <li>Opportunity - Shifting towards reduction of emissions</li> </ul>	<ul style="list-style-type: none"> <li>We are implementing ISO 50001:2018 energy management system at manufacturing sites.</li> <li>We undertake cost-efficiency projects to implement initiatives that enhance our energy efficiency.</li> </ul>	<ul style="list-style-type: none"> <li>Using renewable energy yields significant long-term cost savings by reducing energy bills and minimising exposure to volatile energy prices.</li> </ul>

S. No.	Material issues 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)
					<ul style="list-style-type: none"> <li>Using renewable energy enhances our brand reputation, attracts environmentally-conscious customers, and creates opportunities for market differentiation.</li> </ul>
5	Sustainable oil palm derivatives	Opportunity	Opportunity - Customer demands for RSPO (MB) finished goods	<ul style="list-style-type: none"> <li>We have been RSPO (Mass Balance) certified since 2014 and have witnessed the growth of the RSPO (Mass Balance) certified finished goods year on year.</li> <li>Since 2016, we have been carrying out oil palm traceability, and our Oil palm traceability to mill level is more than 97%.</li> </ul>	RSPO (MB) certification has increased our access to markets that demand RSPO-certified sustainable palm oil. This increase in demand for RSPO MB-certified finished goods led to increased sales and revenues. The RSPO-certified Mass Balance model allows the mixing of RSPO-certified and non-RSPO-certified palm oil across the supply chain. Proactive adherence to RSPO certification and oil palm traceability made us more attractive to investors and customers who prioritise sustainability.
6	Customer complaints and resolutions	Risk and opportunity	<ul style="list-style-type: none"> <li>Risk - negative customer feedback</li> <li>Risk - loss of customers lead to loss of revenues</li> <li>Opportunity - drives towards the scope of improvement</li> </ul>	<ul style="list-style-type: none"> <li>We follow the 8D (eight disciplines) technique, a rigorous and structured tool for responding to customer complaints and preventing recurrence.</li> <li>We devised an interim containment plan, identifying and verifying root causes and implementing long-term solutions.</li> </ul>	Addressing customer complaints and resolutions can improve customer satisfaction and loyalty, increasing customer retention and lifetime value. Moreover, it can reduce transaction costs, as satisfied customers buy more frequently. Negative customer feedback and customer loss can lead to a decrease in revenues. However, these risks also present an opportunity for improvement. We can enhance our reputation, improve customer satisfaction, and increase our market share.
7	Risk management	Risk and opportunity	<ul style="list-style-type: none"> <li>Risk - reputational risk</li> <li>Opportunity - strategic decision-making</li> </ul>	<ul style="list-style-type: none"> <li>We have a Risk Management Committee to review and assess risks, ensuring the institutionalisation of control systems and vigilance mechanisms.</li> <li>We take a proactive approach to identify, assess, and mitigate potential risks.</li> <li>We encourage employees and stakeholders to use the 'Speak-up Box' placed at designated locations to report concerns, wrong practices, or any actions directly to the top management.</li> </ul>	<ul style="list-style-type: none"> <li>Risk management enables us to grow our market share and capture new opportunities.</li> <li>Process optimisation, supply chain efficiencies or energy management result in cost savings for us identified through risk management.</li> </ul>



S. No.	Material issues 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)
8	Digitalisation	Risk and opportunity	<ul style="list-style-type: none"> <li>Risk - cybersecurity threats</li> <li>Opportunity - aim to streamline processes, enhance collaboration, and facilitate seamless data exchange across our Company</li> </ul>	<ul style="list-style-type: none"> <li>We have significantly invested in strengthening our security infrastructure.</li> <li>We have partnered with technology experts and implemented 24-hour surveillance systems to promptly detect and respond to potential security breaches.</li> </ul>	Streamlining processes can significantly lower operational costs by identifying and eliminating unnecessary steps, redundancies, and inefficiencies. Harnessing emerging opportunities can lead to transformative outcomes and improve decision-making and revenues.

Disclaimer: Third-party BRSR audit was conducted for FY 23-24, and the BRSR reported figures for FY 22-23 have been revised and reported accordingly.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

S. No.	Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and Management Processes</b>										
1	<b>a. Whether your Entity's Policy/Policies Cover each Principle and its Core Elements of the NGRBCs. (Yes/No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	<b>b. Has the Policy been Approved by the Board? (Yes/No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	<b>c. Web Link of the Policies, if Available</b>	* Policies available on Galaxy's website: <a href="https://www.galaxysurfactants.com/about/our-policies.aspx">https://www.galaxysurfactants.com/about/our-policies.aspx</a> <a href="https://www.galaxysurfactants.com/investor-relations/corporate-governance.aspx">https://www.galaxysurfactants.com/investor-relations/corporate-governance.aspx</a>								
2	<b>Whether the Entity has Translated the Policy into Procedures. (Yes / No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	<b>Do the Enlisted Policies Extend to your Value Chain Partners? (Yes/No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	<b>Name of the National and International Codes/ Certifications/Labels/Standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your Entity and Mapped to each Principle.</b>	<ol style="list-style-type: none"> <li>We have adopted international standards like ISO 9001, ISO 45001, ISO 14001, ISO 50001, ISO 10002 and ISO 14064.</li> <li>We follow Global Reporting Initiative (GRI) standards for measuring and reporting our sustainability performance and reports to the Carbon Disclosure Project (CDP) on Climate Change, Water Security, and Forest Disclosure.</li> <li>We are a member of the Roundtable on Sustainable Palm Oil (RSPO) and is signatory to the Responsible Care Global Charter (RCGC).</li> <li>We are certified as a Great Place to Work.</li> </ol>								

S. No.	Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
5	<b>Specific Commitments, Goals and Targets set by the Entity with Defined Timelines, if any.</b>	<p>Our Mission 2030 is a focused approach to climate change, circular economy, and water stewardship, which entails the following goals:</p> <ul style="list-style-type: none"> <li>• <b>Climate Change:</b> <ul style="list-style-type: none"> <li>i. Achieving a 100% renewable electricity share by 2030</li> <li>ii. Implementation of an energy management system (ISO 50001:2018) at all India locations by 2025.</li> <li>iii. Planting 1,00,000 trees by 2030.</li> </ul> </li> <li>• <b>Circular Economy:</b> <ul style="list-style-type: none"> <li>i. Achieving 100% waste circularity by 2030.</li> <li>ii. Ensuring zero waste to Incineration.</li> </ul> </li> <li>• <b>Water Stewardship:</b> <ul style="list-style-type: none"> <li>i. Achieving net water-positive status at all manufacturing sites in India by 2030.</li> </ul> </li> </ul>								
6	<b>Performance of the Entity against the Specific Commitments, Goals and Targets along with Reasons in Case the Same are not Met.</b>	<p>Our performance against the goals mentioned in Question 5 of Section B:</p> <ul style="list-style-type: none"> <li>• <b>Climate Change:</b> <ul style="list-style-type: none"> <li>i. Achieved 19.21% renewable electricity share in FY 2023-24.</li> <li>ii. Implemented energy management system (ISO 50001:2018) at our Talaja unit.</li> <li>iii. Planted 73,648 trees till March 31, 2024.</li> </ul> </li> <li>• <b>Circular Economy:</b> <ul style="list-style-type: none"> <li>i. Achieved 95.25% of waste circularity for FY 2023-24</li> <li>ii. Diverted 62% of waste from incineration as compared to the base year (FY 20-21).</li> </ul> </li> <li>• <b>Water Stewardship:</b> <ul style="list-style-type: none"> <li>i. Retained Water Positivity.</li> </ul> </li> </ul>								
7	<p><b>Governance, leadership and oversight</b></p> <p><b>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)</b></p> <p>Galaxy's journey towards sustainability is a proactive commitment in pursuit to ensure better world for future generation. We have set ambitious targets to reduce our carbon footprint, increase renewable share of energy, conserve water, greener supply chain and increase waste circularity. We have made significant progress towards sustainability in FY 23-24 here are key achievements:</p>	<ul style="list-style-type: none"> <li>iv. Honoured with "Best Sustainable Performance in Renewable Energy" Award at Indian Sustainability Conclave.</li> </ul> <p><b>2. Water Stewardship</b></p> <ul style="list-style-type: none"> <li>i. Organisation is water positive.</li> <li>ii. 25% of recycled water used in operations</li> <li>iii. Rainwater harvesting within fence- 13396 cubic meters</li> <li>iv. Received CDP- Water Security rating of "B".</li> <li>v. Honoured with " Best Water Company of the Year" Award at Indian Sustainability Conclave</li> </ul> <p><b>3. Waste Circularity</b></p> <ul style="list-style-type: none"> <li>i. Waste circularity - 95.25%</li> <li>ii. 62% of waste diverted from incineration as compared to base year (2020-21)</li> <li>iii. Honoured with " Best Green 4 R's (Reduce, Reuse, Recycling and Recovery)" Award at Indian Sustainability Conclave</li> </ul>								
	<p><b>1. Climate Change</b></p> <ul style="list-style-type: none"> <li>i. Renewable electrical energy - 19.21%, by sourcing solar electrical power.</li> <li>ii. 7148 tCO<sub>2</sub>e emissions avoided due to use of solar power.</li> <li>iii. Received CDP- Climate change rating of "B".</li> </ul>									

**4. Green supply chain**

- i. Sourced 37% of our palm based raw material is RSPO (MB) certified.
- ii. GHG emissions avoided due to use of RSPO (MB) certified RM - 75,000 tCO<sub>2</sub>e approximately.
- iii. Oil palm traceability till mill level - 97%.
- iv. Honoured with " Best Sustainable Initiative to Improve Green Supply Chain" Award at Indian Sustainability Conclave.

**5. People**

- i. 9% of women in workforce.
- ii. 12% of new hires in FY 2023-24 are women.
- iii. Investment of ₹ 10.26 Crore in Safety, Health, and Environment.

## iv. CSR expenditure- ₹ 4.90 Crore

Along with the achievements we have also faced several challenges towards sustainability in FY 2023-24. Following are some key challenges:

1. Limitations on purchase of renewable electrical power for manufacturing sites.
2. Limited availability of petrochemical based raw material from alternatively green sources.
3. Limited avenues for water conservation projects beyond fence in the vicinity of manufacturing sites.
4. Regulatory restrictions.
5. 100% Oil palm traceability till plantation level.
6. Oil Palm small holder engagement projects.

**8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)**

Name of the Highest Authority	Mr. K. Natarajan
Designation	Managing Director (DIN 07626680)

**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, Sustainability at Galaxy is driven through a three-tier structure called the Sustainability cell. Our sustainability cell has a steering committee at the apex comprising the Board of Directors, the working pillars comprising process heads and process leaders, and working teams to carry out projects. The sustainability cell meets quarterly to review and evaluate our sustainability and business responsibility performance.

**10 Details of Review of NGRBCs by our Company:**

Subject for Review	Indicate whether Review was Undertaken by Director/Committee of the Board/any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above Policies and Follow-up Action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Compliance with Statutory Requirements of Relevance to the Principles, and, Rectification of any Non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Subject for Review	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above Policies and Follow-up Action	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Compliance with Statutory Requirements of Relevance to the Principles, and, Rectification of any Non-compliances	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly

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

Yes or No

Yes

(If Yes), Name of Agency

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**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	NA	NA	NA	NA	NA	NA	NA	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	NA	NA	NA	NA	NA	NA	NA	NA
The Entity does not have the Financial or/Human and Technical Resources Available for the Task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is Planned to be Done in the Next Financial Year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any Other Reason (Please Specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

Disclaimer: Third-party BRSR audit was conducted for FY 23-24, and the BRSR reported figures for FY 22-23 have been revised and reported accordingly.

## 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	Percentage of persons in respective category covered by the Awareness Programmes
Board of Directors	2	Leadership Skill Set - Alchemy Value Sensitisation	100
Key Managerial Personnel	63	<ul style="list-style-type: none"> <li>• 13<sup>th</sup> Annual Pharma IPR India, Mumbai</li> <li>• 13<sup>th</sup> Edition CX Strategy &amp; Awards 2023</li> <li>• 24<sup>th</sup> Course on Double Taxation Avoidance Agreements</li> <li>• Alchemy - Leadership</li> <li>• Asian Chemicals Forum (ACF) conference</li> <li>• Awareness Session on EY Spotmentor Platform Assessment Process</li> <li>• Goal-setting</li> <li>• Breast Cancer Awareness Session</li> <li>• Building Trust and Stakeholder Management</li> <li>• Career Development Program</li> <li>• Case Study: Cynthia Carroll at Anglo-American (A)</li> <li>• CCPS Safety Boot Camp</li> <li>• Cybersecurity Training</li> <li>• Darwinbox Attendance Webinar</li> <li>• Dress to Impress: Empowering your Image!</li> <li>• eLCM Training</li> <li>• Essentials of Leadership</li> <li>• FIT/IBFD December Conference</li> <li>• Handling Workplace Allegations and Conduction Investigations</li> <li>• Investigations and Audit under Customs Law Organised by the Institute of Business Laws</li> <li>• Know Your Galaxy</li> <li>• Managerial Development Workshop</li> <li>• Mastering Effective Appraisal and Developmental Conversation</li> <li>• Behavioural Interview Skills Training Programme</li> <li>• Occupational Health and Safety Audit</li> <li>• POSH Training for IC Committee Members</li> <li>• RESPONSIBLE CARE (RC-KPI) WORKSHOP</li> <li>• Seminar on TDS and TCS Provisions</li> <li>• Session on FTB and Customs</li> <li>• SOONICORN - Leadership</li> <li>• Strategic Thinking and Problem Solving</li> <li>• Sustainability Frameworks and Reports</li> <li>• The Factory Act 1948 - Introduction</li> <li>• Unicorn Masterclass - Leadership</li> <li>• Unlock Insights in Accounting and Fraud with Industry Leaders</li> <li>• Value Sensitisation Workshop</li> <li>• Wellness Galaxy - Tilt to Change</li> <li>• Winning From Within: Cultivating Learning Experience</li> </ul>	97
Employees other than BoD and KMPs	24 mapped training location-wise training depending upon the needs and requirements (~175 on-the-job training sessions per location)	<ul style="list-style-type: none"> <li>• Career Development Programme - Personal Mastery</li> <li>• Get Set Grow</li> <li>• Goal Setting</li> <li>• Supervisory Development</li> <li>• Cancer Awareness</li> <li>• Building Trust and Stakeholder Management</li> <li>• Competency Mapping and Assessment</li> <li>• Cyber Security Awareness</li> <li>• Goal Setting</li> <li>• Galaxy Policy Awareness</li> <li>• ISO Mandate Training</li> </ul>	80

Segment	Total number of Training and Awareness Programmes held	Topics/Principles covered under the Training and its impact	Percentage of persons in respective category covered by the Awareness Programmes
Workers	~300:	<ul style="list-style-type: none"> <li>MS Projects</li> <li>Wellness - Tilt to Change</li> <li>Safety Induction</li> <li>Know Your Galaxy</li> <li>Train the Trainer</li> <li>Power your Presence</li> <li>Me2We Induction</li> <li>Mastering Effective Appraisal and Development Behavioural Interview Skills Training</li> <li>Occupational Health and Safety Audit</li> <li>POSH Training</li> <li>On the Job Training</li> <li>Self-paced Learning Modules on LMS</li> </ul>	76
		On-the-job training: Safety, technical, behavioural, functional, plant operations, TPM, inductions, emergency procedures, MSDS, and sustainability	

**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 Requirements) Regulations, 2015 and as disclosed on the Entity's Website):**

Monetary					
NGRBC Principle	Name of the regulatory / enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Penalty/ Fine					
Settlement		Nil			
Compounding fee					
Non-Monetary					
Imprisonment					
Punishment		Nil			

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Nil

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

No, Galaxy does not have an anti-bribery or anti-corruption policy. However, Galaxy has a whistle-blower and code of conduct policies that contain clauses related to anti-bribery practices. These policies are available at Galaxy website:

Web link: <https://www.galaxysurfactants.com/investor-relations/corporate-governance.aspx>

**5 Number of Directors/KMPs/Employees/Workers against whom disciplinary action was taken by Law Enforcement Agency for the charges of bribery/ corruption:**

	FY 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	FY 2023-24		FY 2022-23	
	Number	Remark	Number	Remark
Number of Complaints Received in Relation to Issues of Conflict of Interest of the Directors	There were no complaints regarding conflict of interest.	-	There were no complaints regarding conflict of interest.	-
Number of Complaints Received in Relation to Issues of Conflict of Interest of the KMPs	There were no complaints regarding conflict of interest.	-	There were no complaints regarding conflict of interest.	-

**7 Provide details of corrective action taken or underway of issues related to Fines/Penalties/Actions taken by Regulators/Law Enforcement Agencies/Judicial Institutions, on cases of corruption and conflicts of interest**

No non-disputed fines/penalties were imposed on our business by regulatory and judicial institutions, and no complaints/cases of corruption and conflicts of interest were registered during the year. The Board of Directors and senior management are subject to the provisions of the Code of Conduct, which is available on the website of our Company at the following link:

<https://www.galaxysurfactants.com/pdf/corporate-governance/policies/Code-of-Conduct-for-Board-Members-and-Senior-Management.pdf>

**8 Number of days of accounts payables (Accounts Payable\*365)/Cost of Goods/Services Procured) in the following format:**

	FY 2023-24	FY 2022-23
Number of Days of Account Payables	67.6	58.8

**9 Open-ness of Business**

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

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from Trading Houses as % of Total Purchases	43	46
	b. Number of Trading Houses where Purchases are Made from	85	84
	c. Purchases from the Top 10 Trading Houses as % of Total Purchases from Trading Houses	87	88
Concentration of Sales	a. Sales to Dealers/Distributors as % of Total Sales	6	5
	b. Number of Dealers/Distributors to Whom Sales Are Made	4	4
	c. Sales to Top 10 Dealers/Distributors as % of Total Sales to Dealers/Distributors	6	5
Share of RPTs in	a. Purchases (Purchases with Related Parties/Total Purchases) %	0.92	0.73
	b. Sales (Sales to Related Parties/Total Sales) %	15.46	16.86
	c. Loans & Advances (Loans & Advances Given to Related Parties/Total Loans & Advances) %	0.95	1.52
	d. Investments (Investments in Related Parties/Total Investments Made) %	89.05	100.00

### Leadership Indicators

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

Total Number of Awareness Programmes Held	Topics/Principles Covered under the Training	%age of Value Chain Partners Covered (by Value of the Business Done with Such Partners) under the Awareness Programmes
2	GHG Accounting & LCA	More than 50% on value terms

**2 Does the Entity have processes in place to avoid/manage conflicts of interests involving members of the Board? (Yes/No). If yes, provide details:**

In the case of a director, every director discloses his/her interest at the beginning of the year. If there is any change in directorship, the concerned director informs the same to the Board. The Board of Directors and senior management are subject to the provisions of the Code of Conduct. Please refer to the following link for more information:

Web link: <https://www.galaxysurfactants.com/investor-relations/corporate-governance.aspx>

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

### Essential Indicators

**1 Percentage of R&D and 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.**

	FY 2023-24	FY 2022-23	Details of Improvements in Environmental and Social Impacts
R&D	8	16.14	We at Galaxy understand that 'Innovation' is a vital component of our business strategy, providing the organisation with a sustainable and long-term competitive advantage. We have adopted an innovation funnel model comprising various stages wherein we screen ideas as they progress through different developmental stages before becoming a successful business. We invest to enhance our R&D capabilities and scale new products. Significant improvements include developing green products, safe workplace and emergency preparedness, consumables for the synthesis of natural and benign products, and lab expansion for the study of green and natural products.
Capex	16	20	

**2 Details on Sustainable Sourcing**

**a. Does the Entity have procedures in place for sustainable sourcing? Yes/No**

Yes, we at Galaxy have defined internal procedures for sustainable sourcing. Before vendor registration, we evaluate vendors on environmental, social, safety, and quality parameters. We ask the suppliers to endorse the supplier Code of Conduct containing the organisation's approach to quality, environment, and occupational health and safety management systems. We are RSPO MB Certified organisation since 2014. We hold a highest level of membership at RSPO titled as "ordinary membership". RSPO- Ordinary members have a voting power during the AGM of RSPO. RSPO -MB certification empowered us to increase business multi-fold in last decade. Over 90% of Galaxy's supplies (by value) are from suppliers adhering to internal or external sustainability standards/codes/policies. These standards/codes/policies include international standards like RSPO, REACH, ISO standards, suppliers' internal standards, and adherence to our supplier code of conduct. We are a signatory to the Responsible Care Global Charter (RCGC) and are permitted to use the Responsible Care® logo for manufacturing units in India till January 2025. We adhere to the framework's 'Distribution Code and Product Stewardship Code' requirements to ensure safe and sustainable transportation.

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

37% of Palm based raw material is RSPO Mass Balance-certified material purchased on volume basis.

**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)	NA
(b) E-waste	NA
(c) Hazardous waste	NA
(d) Other waste	NA



**4 Whether Extended Producer Responsibility (EPR) applies to the Entity's activities (Yes / No). If yes, is the waste collection plan in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, the Extended Producers Responsibility (EPR) applies to our Company. As our Company is engaged in the B2B manufacturing of 'Speciality Chemicals', we supplier the raw materials used in manufacturing home and personal care products. As per the Plastic Waste Management (Amendment) Rules, 2022, we fulfil our EPR targets by purchasing recycling credits from plastic waste processors.

### Leadership Indicators

**1 Has the Entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for the Manufacturing Industry) or for its services (for the Service Industry)? If Yes, provide details in the following format?**

Yes, Galaxy has conducted lifecycle perspective/assessments for the products. Some of these products are listed below:

NIC Code	Name of Product/ Service	% of Total Turnover Contributed	Boundary for Which the Life Cycle Perspective/ Assessment Was Conducted	Whether conducted by Independent External Agency (Yes/No)	Results communicated in Public Domain (Yes/ No) If Yes, provide the Web-Link.
2023	Galaxy 790 MFG	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy CAPB SB	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy LES 370	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy MW 287	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	2-Phenoxyethanol	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Lauryl Chloride (Only Internal)	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy MW 251	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy MW 252	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy LES 70	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	GALSOFT SCI 85(P, G)	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galsoft SLT	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy CAPB Plus	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy BKC	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy LABSA	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galsoft SLG PLUS	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galsoft SLGL PF	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy LAPAO	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy CAPAO	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galsilk 700	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders

NIC Code	Name of Product/ Service	% of Total Turnover Contributed	Boundary for Which the Life Cycle Perspective/ Assessment Was Conducted	Whether conducted by Independent External Agency (Yes/No)	Results communicated in Public Domain (Yes/ No) If Yes, provide the Web-Link.
2023	Galaxy ESS	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy LSS P	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galsilk 7	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy LAO	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy LES 170	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy LES 370	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy CAPB SB	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy CAPB	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy 610	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders
2023	Galaxy 689-Granules	-	Cradle-to-gate	Yes, the first study was performed in collaboration with an external agency	Results are shared with the relevant stakeholders

\*Results are not showcased in the public domain but are shared with the relevant external and internal stakeholders

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

Name of Product/Service	Description of the Risk/Concern	Action Taken
Nil	NA	NA

**3 Percentage of Recycled or Reused Input Material to Total Material (by Value) used in production (for Manufacturing Industry) or Providing Services (for Service Industry).**

Indicate Input Material	Recycled or Reused Input Material to Total Material	
	FY 2023-24	FY 2022-23
Nil	Nil	Nil

**4 Of the Products and Packaging Reclaimed at the End of Life of Products, the amount (in Metric Tonnes) Reused, Recycled, and Safely Disposed, as per the following format:**

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

**5 Reclaimed Products and their Packaging Materials (as a Percentage of Products Sold) for each product category.**

Indicate Product Category	Reclaimed Products and Their Packaging Materials as % of Total Products Sold in the Respective Category
Nil	Nil

### 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 well-being of Employees:

Category	% of Employees Covered By										
	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities		
	Total (A)	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	730	730	100	730	100	NA	NA	730	100	NA	NA
Female	160	160	100	160	100	160	100	NA	NA	160	100
<b>Total</b>	<b>890</b>	<b>890</b>	<b>100</b>	<b>890</b>	<b>100</b>	<b>160</b>	<b>100</b>	<b>730</b>	<b>100</b>	<b>160</b>	<b>100</b>
<b>Other Than Permanent Employees</b>											
Male											
Female	100% of other than permanent employees are covered under accident insurance and day care facilities.										
<b>Total</b>											

All permanent Employees are covered under Mediclaim or ESIC

#### b. Details of measures for well-being of Workers:

Category	% of Workers Covered By										
	Health insurance			Accident insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
	Total (A)	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	872	872	100	872	100	NA	NA	872	100	NA	NA
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>	<b>872</b>	<b>872</b>	<b>100</b>	<b>872</b>	<b>100</b>	<b>Nil</b>	<b>Nil</b>	<b>872</b>	<b>100</b>	<b>Nil</b>	<b>Nil</b>
<b>Other Than Permanent Workers</b>											
Male											
Female	100% of all other than permanent workers are covered under accident insurance and day care facilities.										
<b>Total</b>											

All permanent workers are covered under mediclaim or ESIC

#### c. Spending on measures for well-being of Employees and Workers (including Permanent and Other Than Permanent) in the following format:

Category	FY 2023-24	FY 2022-23
Cost Incurred on Well-Being Measures as a % of the Total Revenues of the Entity	0.22	0.16

#### 2 Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	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/NA)	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/NA)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	NA	NA	NA	NA	NA	NA
Others – Please Specify	NA	NA	NA	NA	NA	NA

### 3 Accessibility of workplaces

**Are the Premises/Offices of the Entity Accessible to Differently-Abled Employees and Workers, per the requirements of the Rights of Persons with Disabilities Act, 2016? If Not, Whether Any Steps Are Being Taken by the Entity in This Regard.**

Our corporate office is accessible to employees and workers with disabilities, and we are in the process of creating infrastructure at manufacturing sites to make premises/ offices accessible to differently-abled persons (employees/ contractual workers/visitors etc) visiting the premises/offices.

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

We at Galaxy aim to provide equal opportunity and strongly endorse the right of equal opportunity for potential candidates, irrespective of disabilities.

### 5 Return to work and Retention Rates of Permanent Employees and Workers That Took Parental Leave.

Gender	Permanent Employees		Permanent Workers	
	Return to Work Rate	Retention Rate	Return to Work Rate	Retention Rate
Male	100%	91%	100%	97%
Female	100%	100%	Nil	Nil
<b>Total</b>	<b>100%</b>	<b>91%</b>	<b>100%</b>	<b>97%</b>

### 6 Is there a mechanism available to receive and redress grievances for the following categories of Employees and Workers? If Yes, Give Details of the mechanism in brief.

	Yes/No	(If Yes, Then Give Details of the Mechanism in Brief)
Permanent Workers	Yes	Yes, we constituted an EWC (Employee Welfare Council) in manufacturing units as a monthly platform for employees to voice their concerns and grievances to management. We encourage employees to provide feedback and have set up anonymous speak-up box mechanisms for sharing their concerns and grievances. Galaxy Parivar Bane Surakshit (GPBS) program helps Employees (staff and operator) and contract workers report safety observations across all manufacturing units.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

### 7 Membership of Employees and Worker in Association(s) or Unions Recognised by the Listed Entity:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total Employees/ Workers in Respective Category (A)	No. of Employees/ Workers in Respective Category, Who Are Part of Association(s) or Union (B)	% (B/A)	Total Employees/ Workers in Respective Category (C)	No. of Employees/ Workers in Respective Category, Who Are Part of Association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>						
Male						
Female						
<b>Total Permanent Workers</b>						
Male						
Female						

We do not have a union or association of employees or workers. We respect employees' right to freedom of peaceful association and collective bargaining.

## 8 Details of trainings given to Employees and Workers:

	FY 2023-24					FY 2022-23				
	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	730	621	85	637	87	656	568	87	554	84
Female	160	136	85	142	89	151	84	56	73	48
<b>Total</b>	<b>890</b>	<b>757</b>	<b>85</b>	<b>779</b>	<b>88</b>	<b>807</b>	<b>652</b>	<b>81</b>	<b>627</b>	<b>78</b>
<b>Workers</b>										
Male	872	673	77	635	73	861	652	76	627	73
Female	Nil	Nil	-	Nil	-	Nil	Nil	-	Nil	-
<b>Total</b>	<b>872</b>	<b>673</b>	<b>77</b>	<b>635</b>	<b>73</b>	<b>861</b>	<b>652</b>	<b>76</b>	<b>627</b>	<b>73</b>

## 9 Details of performance and career development reviews of Employees and Workers:

	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	730	636	87	656	584	89
Female	160	132	83	151	113	75
<b>Total</b>	<b>890</b>	<b>768</b>	<b>86</b>	<b>807</b>	<b>697</b>	<b>86</b>
<b>Workers</b>						
Male	872	833	96	861	804	93
Female	Nil	Nil	-	Nil	Nil	-
<b>Total</b>	<b>872</b>	<b>833</b>	<b>96</b>	<b>861</b>	<b>804</b>	<b>93</b>

100% of all the eligible employees have undergone performance and career development reviews

## 10 Health and Safety Management System:

**a. Whether an Occupational Health and Safety Management System has been implemented by the Entity? (Yes/ No). If Yes, the Coverage Such System?**

Yes, Galaxy has implemented an occupational health and safety management system (45001:2018) at all manufacturing locations.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the Entity?**

We undertake periodic risk assessment studies such as HAZOP, Hazard Area Classification (HAC), Job Safety Analysis (JSA), Permit to Work, Pre-startup safety review (PSSR), weekly/monthly inspections, Aspect/Impact and HIRA, cross-functional safety audits, external safety audits, and workplace monitoring studies.

**c. Whether you have processes for Workers to Report the Work Related Hazards and to remove themselves from such risks. (Y/N)**

Yes, we have Galaxy Parivar Bane Surakshit (GPBS), a behaviour-based safety programme. This programme enables reporting safety observations, including unsafe acts and unsafe conditions. Workers also raise concerns about hazardous conditions in monthly Safety Committee and Weekly Safety Circle meetings.

**d. Do the Employees/ Worker of the Entity have access to Non-occupational Medical and Healthcare Services? (Yes/ No)**

Yes, we cover all employees and operators under Medclaim and ESIC schemes. All employees and workers are thoroughly cared for, whether due to medical exigencies or otherwise. We have a fully equipped OHC for the primary treatment of all employees. We also arrange medical examinations every six months.

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

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per One Million-Person Hours Worked)	Employees	0.15	0.16
	Workers	0	0.16
Total Recordable Work-Related Injuries	Employees	3	1
	Workers	3	1
No. of Fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High Consequence Work-Related Injury or Ill-Health (excluding Fatalities)	Employees	0	1
	Workers	0	1

## 12 Describe the measures taken by the Entity to ensure a safe and healthy work place.

The Board reviews the safety performance quarterly and provide their inputs for improvement. Our senior management reviews safety performance at manufacturing sites during the monthly safety meetings. The site Head and Safety in-charge chair the monthly meeting of the Joint safety committee. Staff and operators are the members attending this meeting, and we have separate committee meetings for contract worker categories. We train permanent and contract employees on behavioural safety, first aid, fire safety, emergency preparedness, SCBA, MSDS, EMS, OHSMS standards, and Responsible Care. We have also conducted various emergency drills and training to enhance safety awareness among employees and contractors. We conduct preliminary health checkups and induction training through STK (Safety Training Kiosk) for everyone, including visitors, drivers, contractors and recruits. Sensitisation is ensured by announcing Safety Anthem every shift through the public address system at our manufacturing units. A software portal system is available for reporting any near-miss incident and any incident, including incident investigation and recommendations. The software system helps track incident investigations and the closure of recommendations. ECC (Emergency Control Centre) is available and well-equipped with all communication infrastructures like walkie-talkies and emergency contacts with important telephone numbers.

We follow the periodical internal and external training system, including induction training through the STK (Safety Training Kiosk) online module. We undertake Periodic Risk Assessment studies like HAZOP, HAC (Hazard Area Classification), JSA, PSSR, weekly/ monthly inspections, Aspect/ Impact and HIRA, cross-functional safety audits, external safety audits, and workplace monitoring studies. Our well-equipped OHC (Occupational Health Centre) operates round the clock. All the employees, including contract employees, undergo periodic medical checkups, and we maintain health records. The frequency of medical checkups of employees is twice a year from DISH (Directorate of Industrial Safety and Health) approved medical practitioners.

FMO conducts periodic training and guides on lifestyle diseases. We have certified First Aiders and Firefighters present at the site. We also have an on-site emergency plan for handling any emergency at the site. We have launched cross-functional Project Abhayatam – A Fearless, New Beginning. This project comprises an eight-step review mechanism by a team of subject specialists to strengthen and enhance the design, operations, safety, and skill levels of all our plant personnel across the organisation and enable us to identify the areas requiring improved safety. We based this project on various pillars like design review, P&ID, SOP/BMR review, Aspect/Impact and HIRA review, MSDS training and maintenance management, and the subsequent findings forward for improvement. We conducted a weekly "Safety Circle" meeting with all relevant processes, capturing their safety-related recommendations.

- Workforce engaged and involved in workplace safety programmes and their well-being.
- Safety Induction, Safety rules, Cardinal rules, workplace safety and associated risks helped to sustain and excel the safety culture at Galaxy.
- We established a robust process for identifying the hazards and risk assessment and put control measures in place.
- Employees continuously carry out Safety observation, Job safety analysis, why-why analysis to improve the workplace condition. This active participation helps identify and eliminate potential or existing hazards, ensuring a safer work environment.

**13 Number of complaints on the following made by Employees and Workers:**

	FY 2023-24			FY 2022-23		
	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	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

**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
Working Conditions	100

**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.**

The various systems implemented after the incident investigation, such as

- Strengthen and simplify HIRA to quickly understand and improve shopfloor employees involvement.
- Strengthen Electrical safety by providing arc flash aprons for all employees working in Conversion Process handling electrical Section and detailed study of arc flash study
- All the changes (temporary/permanent) underwent change management process with risk assessment and PSSR.
- We have digitised the platform on the incident managing application.

### Leadership Indicators

**1 Does the Entity extend any Life Insurance or any compensatory package in the with event of the death Of (a) Employees (Y/N) (B) Workers (Y/N)?**

Employees	Yes
Workers	Yes

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

We ensure that statutory dues applicable to all transactions are deducted and deposited as per regulations. We are in the process of carrying out an assessment related to the statutory dues of our value chain partners.

**3 Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been 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 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

**4 Does the Entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

No, there are no policies or transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

## 5 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	Raw material: 36 Packaging material: 50
Working Conditions	Raw material: 36 Packaging material: 50

## 6 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

To mitigate this risk, we conduct physical audits of supplier facilities. Moreover, our supplier code of conduct is duly signed by suppliers and includes clauses related to human rights, safety, health, and the environment.

### PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

#### Essential Indicators

#### 1 Describe the processes for identifying key stakeholder groups of the Entity.

Our process for identification of stakeholders revolves around the following attributes:

- Dependency—Stakeholders who directly affect or are affected by an organisation's activities, products, or services or on whom the organisation is dependent to operate.
- Responsibility—Stakeholders toward whom the organisation has legal, commercial, operational, or moral/ethical responsibilities.

Our key external stakeholders include investors, government regulators, customers, local communities, suppliers, and transporters, while our key internal stakeholders comprise our employees, contractual employees, and senior management.

Identifying key material issues important to our organisation. We identify key issues by conducting materiality assessments. During materiality assessments, we actively engage with our stakeholders, seeking their valuable input. Materiality assessment diverse engagement is a testament to the importance we place on stakeholders' feedback.

#### 2 List stakeholder groups identified as key for your Entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether Identified as Vulnerable and Marginalised Group (Yes/No)	Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, and Others)	Frequency of engagement (Annually/Half-yearly/Quarterly / Others – Please Specify)	Purpose and Scope of Engagement including Key Topics and Concerns Raised During Such Engagement
Customers	No	E-mails, regular business reviews with key customers, customer satisfaction surveys and feedback, customer audits and customer questionnaires, technical flash cards, meetings, and phone calls	Quarterly and need-based	<ul style="list-style-type: none"> <li>To resolve customers' service-related commercial and technical issues.</li> <li>To provide better service to customers and address their commercial and technical issues.</li> <li>To improve customer experience, product and service quality.</li> <li>To seek feedback with suggestions for improvement and know market trends.</li> </ul>
Investors	No	<ul style="list-style-type: none"> <li>Annual general meeting</li> <li>Annual reports</li> <li>Investor meets, and investor call is arranged after the declaration of financial results every quarter</li> <li>Media releases</li> <li>E-mails</li> <li>The Company's website</li> </ul>	<ul style="list-style-type: none"> <li>Annually (AGM)</li> <li>Quarterly (event-based investor conferences)</li> <li>One-on-one investor meetings</li> </ul>	<ul style="list-style-type: none"> <li>To keep investors updated about the organisation's performance and developments.</li> <li>To know queries and feedback from investors to understand their requirements.</li> </ul>



Stakeholder Group	Whether Identified as Vulnerable and Marginalised Group (Yes/No)	Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, and Others)	Frequency of engagement (Annually/Half-yearly/Quarterly / Others – Please Specify)	Purpose and Scope of Engagement including Key Topics and Concerns Raised During Such Engagement
Government and regulatory bodies	No	<ul style="list-style-type: none"> <li>Website/Portal</li> <li>E-mails</li> <li>Statutory and legal compliance filings</li> </ul>	Annually and need-based	<ul style="list-style-type: none"> <li>To ensure compliance and seek approval wherever necessary.</li> </ul>
Suppliers and vendors	No	<ul style="list-style-type: none"> <li>Supplier workshops and annual suppliers meet</li> <li>Suppliers' consultation and auditing</li> <li>Communicate suppliers/vendors through a feedback mechanism/ e-mail/ website</li> <li>Supplier/vendor assessment questionnaire</li> </ul>	Half-yearly and need-based	<ul style="list-style-type: none"> <li>To improve service levels from/to the suppliers/ vendors and address their commercials issues.</li> </ul>
Transporters	No	<ul style="list-style-type: none"> <li>E-mails</li> <li>Telephone</li> <li>Transporter consultation and auditing and feedback</li> </ul>	Annually and need-based	<ul style="list-style-type: none"> <li>To resolve transport-related commercial and technical issues of the transporter.</li> <li>To improve the transporter's understanding of road safety, driver health and safe consignment delivery to customers and implement them through driver management.</li> </ul>
Employees (employee and contract employees)	Yes	<ul style="list-style-type: none"> <li>E-mails</li> <li>SMS/Calls</li> <li>Meetings</li> <li>Letters and speak-up-boxes</li> <li>Website and internal portals</li> <li>Meetings and training</li> <li>Employee engagement surveys</li> <li>360-degree feedback</li> <li>One-on-one communication with the senior management</li> </ul>	Need based and quarterly	<ul style="list-style-type: none"> <li>To understand employee needs and opinions.</li> <li>To inform employees about the organisation's plans, procedures and policies.</li> </ul>
Community	Yes	<ul style="list-style-type: none"> <li>Meetings</li> <li>Focus group discussions</li> <li>Field visits by CSR teams</li> <li>Information and knowledge sharing on</li> <li>Website including social media</li> </ul>	Need based and quarterly	<ul style="list-style-type: none"> <li>To assess the development and need of projects.</li> <li>Training and capacity building of communities.</li> <li>Monitoring, reviewing and learning.</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.

We delegate all consultations with stakeholders on economic, environmental, and social topics to the respective process/ department within the organisation, which is responsible for regularly engaging with stakeholders. The sustainability cell meetings provide an opportunity to communicate feedback with the Board about these consultations.

**2 Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the Entity.**

Yes, we consider stakeholder consultation through stakeholder engagement meetings and assessments, which we consider in identifying and managing materiality assessments related to ESG topics. We have incorporated these topics into our Mission 2030. We have provided the details of the same in the link: <https://www.galaxysurfactants.com/sustainability/sustainability-report.aspx>

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

Our CSR team engages with the communities around the operations and helps develop vulnerable and marginalised stakeholder groups. The team also provides various avenues for women's financial and social inclusion and includes relief materials for people affected by natural calamities.

We have provided further details on instances of engagement and actions taken to address the concerns in the link: <https://www.galaxysurfactants.com/sustainability/csr.aspx>

**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:**

	FY 2023-24			FY 2022-23		
	Total (A)	No. of Employees/ Workers Covered (B)	% (B/A)	Total (C)	No. of Employees/ Workers Covered (D)	% (D/C)
<b>Employees</b>						
Permanent	890	757	85	807	698	86
Other than Permanent	37	28	76	Nil	Nil	Nil
<b>Total Employees</b>	<b>927</b>	<b>785</b>	<b>85</b>	<b>807</b>	<b>698</b>	<b>86</b>
<b>Workers</b>						
Permanent	872	610	70	861	411	48
Other than Permanent	748	524	70	Nil	Nil	Nil
<b>Total Workers</b>	<b>1620</b>	<b>1134</b>	<b>70</b>	<b>861</b>	<b>411</b>	<b>48</b>

**2 Details of minimum wages paid to Employees and Workers, in the following format:**

Category	FY 2023-24					FY 2022-23				
	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)
<b>Employees</b>										
<b>Permanent</b>										
Male	730	Nil	-	730	100	656	Nil	-	656	100
Female	160	Nil	-	160	100	151	Nil	-	151	100
<b>Other than Permanent</b>										
Male	30	Nil	-	30	100	44	Nil	-	44	100
Female	7	Nil	-	7	100	15	Nil	-	15	100
<b>Workers</b>										
Permanent										
Male	872	42	5	830	95	861	27	3	834	97
Female	Nil	Nil	-	Nil	-	Nil	Nil	-	Nil	-
<b>Other than Permanent</b>										
Male	726	450	62	276	38	550	372	68	178	32
Female	22	14	64	8	36	20	13	65	7	35

### 3 Details of Remuneration/Salary/Wages, in the following format:

#### a. Median Remuneration/Wages:

	Male		Female	
	Number	Median Remuneration/ Salary/Wages of Respective Category	Number	Median Remuneration/ Salary/Wages of Respective Category
Board of Directors (BoD)	9	23.25 lakhs	1	21 lakhs
Key Managerial Personnel	2	77.1 lakhs	Nil	Nil
Employees Other Than BoD and KMP	726	11.2 lakhs	160	8.7 lakhs
Workers	872	4.08 lakhs	Nil	Nil

#### b. Gross Wages Paid to Females as % of Total Wages Paid by the Entity, in the Following Format:

Category	FY 2023-24	FY 2022-23
Gross Wages Paid to Females as % of Total Wages	9.94	10.03

### 4 Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the people energy process (human resource department) is responsible for addressing human rights impacts or issues.

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

We have established human rights and whistle-blower policies that we communicate to every employee. We encourage employees to provide feedback and have set up anonymous speak-up mechanisms for sharing their concerns and grievances. We have developed a human rights checklist to improve human rights reporting across our units.

### 6 Number of complaints on the following made by Employees and Workers:

	FY 2023-24			FY 2022-23		
	Filed During the Year	Pending Resolution at the End of Year	Remarks	Filed During the Year	Pending Resolution at the End of Year	Remarks
Sexual Harassment	1	Nil	NA	2	Nil	NA
Discrimination at the Workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other Human Right-related Issues	Nil	Nil	NA	Nil	Nil	NA

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

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	2
Complaints on POSH as a % of Female Employees/Workers	0.6	1.2
Complaints on POSH Upheld	0	0

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

We have established a whistle-blower policy, POSH policy and Code of Conduct. We take preventive measures to ensure no adverse consequences to the complainant in discrimination and harassment cases. We have strict protocols to maintain the confidentiality and anonymity of the complainant throughout the investigation process. This strategy involves pseudonyms, limiting access to personal information, and emphasising the need for discretion among all the parties involved. We strictly prohibit the IC committee members from revealing/discussing information regarding the cases during and after their tenure with our Company.

### 9 Do Human Rights requirements Form Part of Your Business Agreements and Contracts? (Yes/No)

Yes, human rights requirements do form part of business agreements and contracts. The human rights clause and policy are part of our code of conduct.

## 10 Assessments for the Year:

	% of Your Plants and Offices That Were Assessed (by Entity or Statutory Authorities or Third Parties)
Child Labour	100
Forced/Involuntary Labour	100
Sexual Harassment	100
Discrimination at the Workplace	100
Wages	100
Others – Please Specify	NA

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

We have implemented various corrective measures at Galaxy to mitigate the substantial risks and concerns identified in our assessments. This mechanism includes annual employee POSH training sessions through mandatory e-learning modules. Additionally, we conduct in-person POSH training for our contract-based staff and yearly sessions for the IC Committee members led by an external diversity and inclusion consultant. Furthermore, we have introduced a provision for male complainants to register grievances through the HR committee.

### Leadership Indicators

## 1 Details of a Business Process Being Modified/Introduced as a Result of Addressing Human Rights Grievances/Complaints.

Not applicable

## 2 Details of the Scope and Coverage of Any Human Rights Due Diligence conducted.

There was no Human rights due diligence conducted in FY 23-24.

## 3 Is the Entity's Premises/Office Accessible to Visitors with Disabilities, as required by the Rights of Persons with Disabilities Act, 2016?

Our corporate office is accessible to differently-abled employees and workers, and we are developing infrastructure at manufacturing sites to make them accessible.

## 4 Details on Assessment of Value Chain Partners:

	% of Value Chain Partners (by Value of Business Done with Such Partners) That Were Assessed
Child Labour	Raw material: 36 Packaging material: 50
Forced/Involuntary Labour	
Sexual Harassment	
Discrimination at the Workplace	Nil
Wages	
Others – Please Specify	

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

To mitigate this risk, we conduct physical audits of supplier facilities. Moreover, we have Galaxy's supplier code of conduct duly signed by suppliers, which includes human rights and safety, health, and environment clauses.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment****Essential Indicators****1 Details of Total Energy Consumption (in Joules or Multiples) and Energy Intensity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>From Renewable Sources (Gigajoules)</b>		
Total Electricity Consumption (A)	31,313	30,688
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>31,313</b>	<b>30,688</b>
<b>From Non-renewable Sources (Gigajoules)</b>		
Total Electricity Consumption (D)	1,31,674	1,18,307
Total Fuel Consumption (E)	2,05,170	2,10,856
Energy Consumption through Other Sources (F)	0	0
<b>Total Energy Consumed from Non-Renewable Sources (D+E+F)</b>	<b>3,36,844</b>	<b>3,29,163</b>
<b>Total Energy Consumed (A+B+C+D+E+F) (in GJ)</b>	<b>3,68,157</b>	<b>3,59,851</b>
<b>Energy Intensity per Rupee of Turnover</b> (Total Energy Consumed /Revenues from Operations in GJ/₹ Crores)	134.11	113.23
<b>Energy Intensity per Rupee of Turnover Adjusted for Purchasing Power Parity (PPP)</b> (Total Energy Consumed/Revenues from Operations Adjusted for PPP) (GJ/USD)	0.00030	0.00025
<b>Energy Intensity in Terms of Physical Output</b> (GJ/MT)	1.21	1.34
<b>Energy Intensity</b> (Optional) – the Relevant Metric May Be Selected by the Entity (GJ/Employee)	208.94	215.74
Note: Indicate If Any Independent Assessment/Evaluation/Assurance Has Been Carried Out by an External Agency? (Y/N) If Yes, Name of the External Agency	Yes, Bureau Veritas provided Independent Assurance of BRSR Report w.r.t. the BRSR Core parameters for FY 2023-24.	Yes, Bureau Veritas assured energy consumption as part of our sustainability report for FY 2022-23.

**2 Does the Entity have any Sites/Facilities Identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If Yes, disclose whether targets set under the PAT Scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not Applicable

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

Parameter	FY 2023-24	FY 2022-23
<b>Water Withdrawal by Source (in Kilolitres)</b>		
(i) Surface Water	13,396	11,916
(ii) Ground Water	0	0
(iii) Third-party Water	3,13,424	3,01,102
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
<b>Total Volume of Water Withdrawal (in Kilolitres) (i + ii + iii + iv + v)</b>	<b>3,26,820</b>	<b>3,13,018</b>
<b>Total Volume of Water Consumption (in Kilolitres)</b>	<b>3,24,221</b>	<b>3,11,373</b>
<b>Water Intensity per Rupee of Turnover</b> (Water Consumed/Revenues from Operations) (Kl/₹ Crores)	118.1	97.98
<b>Water Intensity per Rupee of Turnover Adjusted for Purchasing Power Parity (PPP)</b> (Total Water Consumption/Revenues from Operations Adjusted for PPP) (Kl/USD)	0.00026	0.00022

Parameter	FY 2023-24	FY 2022-23
<b>Water Intensity in Terms of Physical Output (KI/MT)</b>	1.06	1.16
<b>Water Intensity</b> (Optional) – the Relevant Metric May Be Selected by the Entity (KI/Employee)	184.01	186.67
Note: Indicate If Any Independent Assessment/Evaluation/Assurance Has Been Carried Out by an External Agency? (Y/N) If Yes, Name of the External Agency	Yes, Bureau Veritas provided Independent Assurance of BRSR Report w.r.t. the BRSR Core parameters for FY 2023-24.	Yes, Bureau Veritas assured water accounting as part of our sustainability report for FY 2022-23.

**4 Provide the following details related to water discharged:**

Parameter	FY 2023-24	FY 2022-23
<b>Water Discharge by Destination and Level of Treatment (in KI)</b>		
(i) To Surface Water		
No Treatment	0	0
With Treatment – Please Specify Level of Treatment	0	0
(ii) To Groundwater		
No Treatment	0	0
With Treatment – Please Specify Level of Treatment	0	0
(iii) To Seawater		
No Treatment	0	0
With Treatment – Please Specify Level of Treatment	0	0
(iv) Sent to Third-parties		
No Treatment	0	0
With Treatment – Please Specify Level of Treatment (Tertiary Treatment)	2,599	1,645
(v) Others		
No Treatment	0	0
With Treatment – Please Specify Level of Treatment	0	0
<b>Total Water Discharged (in KI)</b>	<b>2,599</b>	<b>1,645</b>
Note: Indicate If Any Independent Assessment/Evaluation/Assurance Has Been Carried Out by an External Agency? (Y/N) If Yes, Name of the External Agency	Yes, Bureau Veritas provided Independent Assurance of BRSR Report w.r.t. the BRSR Core parameters for FY 2023-24.	Yes, Bureau Veritas assured water accounting as part of our sustainability report for FY 2022-23.

**5 Has the Entity implemented a Mechanism for Zero Liquid Discharge? If Yes, provide details of Its Coverage and Implementation.**

Yes, all the manufacturing sites in India have zero liquid discharge units.

**6 Please provide details of Air Emissions (Other Than GHG Emissions) by the Entity, in the following format:**

Parameter	Please Specify Unit	FY 2023-24	FY 2022-23
NOx	Tonnes	24.21	11.68
SOx	Tonnes	16.28	21.89
Particulate Matter (PM)	Tonnes	10.83	13.57
Persistent Organic Pollutants (POP)	Units	-	-
Volatile Organic Compounds (VOC)	Units	-	-
Hazardous Air Pollutants (HAP)	Units	-	-
Others – Please Specify	Units	-	-
Note: Indicate If Any Independent Assessment/Evaluation/Assurance Has Been Carried Out by an External Agency? (Y/N) If Yes, Name of the External Agency.		Yes, Bureau Veritas assured air emissions as part of our sustainability report for FY 2023-24.	Yes, Bureau Veritas assured air emissions as part of our sustainability report for FY 2022-23.

**7 Provide details of Greenhouse Gas Emissions (Scope – 1 and Scope – 2 Emissions) and Its Intensity, in the following format:**

Parameter	Please Specify Unit	FY 2023-24	FY 2022-23
<b>Total Scope – 1 Emissions</b> (Break-Up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , If Available)	Metric tonnes of CO <sub>2</sub> equivalent	15,877	17,124
<b>Total Scope – 2 Emissions</b> (Break-Up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , If Available)	Metric tonnes of CO <sub>2</sub> equivalent	30,102	26,619
<b>Total Scope – 1 and Scope – 2 Emission Intensity per Rupee of Turnover</b> (Total Scope – 1 and Scope – 2 GHG Emissions/ Revenues from Operations)	tCO <sub>2</sub> e/INR crores	16.75	13.76
<b>Total Scope – 1 and Scope – 2 Emission Intensity per Rupee of Turnover Adjusted for Purchasing Power Parity (PPP)</b> (Total Scope – 1 and Scope – 2 GHG Emissions/Revenues from Operations Adjusted for PPP)	tCO <sub>2</sub> e/USD	0.000038	0.000031
<b>Total Scope – 1 and Scope – 2 Emission Intensity in Terms of Physical Output</b>	tCO <sub>2</sub> e/ MT	0.15	0.16
<b>Total Scope – 1 and Scope – 2 Emission Intensity</b> (Optional) – the Relevant Metric May Be Selected by the Entity	tCO <sub>2</sub> e/ employee	26.09	26.22
Note: Indicate If Any Independent Assessment/ Evaluation/ Assurance Has Been Carried Out by an External Agency? (Y/N) If Yes, Name of the External Agency.		Yes, Bureau Veritas provided independent verification and validation for Scope - 1 and Scope - 2 emissions per ISO 14064 for FY 2023-24.	Yes, Bureau Veritas provided independent verification and validation for Scope - 1 and Scope - 2 emissions per ISO 14064 for FY 2022-23.

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

Yes, we have aligned ourselves with global goals of emission reductions. By utilising energy management systems, renewable energy, and clean fuels, we are committed to reducing our emissions.

- Reduction in energy consumption: All our manufacturing units strive for continual improvement in the process to reduce energy consumption having a direct impact on the carbon emissions. We are committed to energy conservation, and our Taloja unit is ISO 50001 EnMS certified.
- Renewable Electrical Solar Power: Renewable Electrical solar power is a focused area for emission reduction. Currently, renewable electricity share accounts for 19.21% of the total electricity share of FY 2023-24, and we aim to increase the renewable electricity power share in upcoming years to 100% by 2030.

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

Parameter	FY 2023-24	FY 2022-23
Total Waste Generated (in MT)		
Plastic Waste (A)	414	331
E-waste (B)	2.9	8.68
Biomedical waste (C)	0.039	0.019
Construction and Demolition Waste (D)	5260	6382
Battery Waste (E)	10.58	9.29
Radioactive Waste (F)	0	0
Other Hazardous Waste. Please Specify, If Any. (G)	4,545	6,129
Other Non-hazardous Waste Generated (H). Please Specify, If Any. (Break-up by Composition, i.e. by Materials Relevant to the Sector)	1,407	1,436
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>11,640</b>	<b>14,296</b>

Parameter	FY 2023-24	FY 2022-23
<b>Waste Intensity per Rupee of Turnover</b> (Total Waste Generated/Revenues from Operations) (MT/INR Crores)	4.24	4.5
<b>Waste Intensity per Rupee of Turnover Adjusted for Purchasing Power Parity (PPP)</b> (Total Waste Generated/Revenues from Operations Adjusted for PPP) (MT/USD)	0.000009	0.00001
<b>Waste Intensity in Terms of Physical Output</b> (MT/MT of Product)	0.038	0.053
<b>Waste Intensity</b> (Optional) – the Relevant Metric May Be Selected by the Entity (MT/Employee)	6.61	8.57
For Each Category of Waste Generated, Total Waste Recovered through Recycling, Reusing or Other Recovery Operations (in MT)		
<b>Category of Waste</b>		
(i) Recycled	4,713	4,395
(ii) Reused	6,398	8,299
(iii) Other Recovery Operations	0	435
<b>Total</b>	<b>11,111</b>	<b>13,129</b>
For Each Category of Waste Generated, Total Waste Disposed by Nature of Disposal Method (in Metric Tonnes)		
<b>Category of Waste</b>		
(i) Incineration	58	100
(ii) Landfilling	472	476
(iii) Other Disposal Operations	0	592
<b>Total</b>	<b>530</b>	<b>1168</b>
Note: Indicate If Any Independent Assessment/Evaluation/Assurance Has Been Carried Out by an External Agency? (Y/N) If Yes, Name of the External Agency.	Yes, Bureau Veritas provided Independent Assurance of BRSR Report w.r.t. the BRSR Core parameters for FY 2023-24.	Yes, Bureau Veritas assured waste accounting as part of our sustainability report for FY 2022-23.

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

We have implemented projects that have reduced waste and improved production yield. We follow the '3R' (Reduce, Reuse and Recycle) strategy for waste management. We follow legally prescribed procedures and apply environmentally sound techniques for disposing of hazardous waste, whereas we sell non-hazardous waste to authorised recyclers. World-class practices such as TPM have been adopted at our manufacturing sites since 2003, which helps increase productivity by minimising waste.

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

S.No	Location of Operations/ Offices	Type of Operations	Whether the Conditions of Environmental Approval/Clearance Are Being Complied with? (Y/N) If No, the Reasons Thereof and Corrective Action Taken, If Any
Not Applicable			



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

Name and Brief Details of Project	EIA Notification No.	Whether Conducted by Independent External Agency (Yes/No)	Results Communicated in Public Domain (Yes/No)	Relevant Web link
		Not Applicable		

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

Yes, we are compliant with all the applicable environmental laws. We comply with the relevant environmental laws/ 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.

### Leadership Indicators

**1 Water Withdrawal, Consumption and Discharge in areas of Water Stress (in KI):**

For Each Facility/Plant Located in Areas of Water Stress, Provide the Following Information:

(i) **Name of the Area**

Jhagadia

(ii) **Nature of Operations**

Manufacturing

(iii) **Water Withdrawal, Consumption and Discharge in the Following Format:**

Parameter	FY 2023-24	FY 2022-23
<b>Water Withdrawal by Source (in Kilo Liter)</b>		
(i) Surface Water	0	0
(ii) Groundwater	0	0
(iii) Third-party water	1,34,911	1,21,246
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
<b>Total Volume of Water Withdrawal (in KL) (i + ii + iii + iv + v)</b>	<b>1,34,911</b>	<b>1,21,246</b>
<b>Total Volume of Water Consumption (in KL)</b>	<b>1,34,911</b>	<b>1,21,246</b>
<b>Water Intensity per Rupee of Turnover (Water Consumed/Turnover) (KI/INR Crores)</b>	118.82	96.85
<b>Water Intensity (Optional) – the Relevant Metric May Be Selected by the Entity (KI/MT)</b>	1.17	1.28
<b>Water Discharge by Destination and Level of Treatment (in Kilo Liter)</b>		
(i) To Surface Water		
No Treatment	0	0
With Treatment – Please Specify Level of Treatment	0	0
(ii) To Groundwater		
No Treatment	0	0
With Treatment – Please Specify Level of Treatment	0	0
(iii) To Seawater		
No Treatment	0	0
With Treatment – Please Specify Level of Treatment	0	0
(iv) Sent to Third-parties		
No Treatment	0	0
With Treatment – Please Specify Level of Treatment	0	0

Parameter	FY 2023-24	FY 2022-23
(v) Others		
No Treatment	0	0
With Treatment – Please Specify Level of Treatment	0	0
<b>Total Water Discharged (in KI)</b>	<b>0</b>	<b>0</b>
Note: Indicate If Any Independent Assessment/Evaluation/Assurance Has Been Carried Out by an External Agency? (Y/N) If Yes, Name of the External Agency	Yes, Bureau Veritas provided Independent Assurance of BRSR Report w.r.t. the BRSR Core parameters for FY 2023-24.	Yes, Bureau Veritas assured waste accounting as part of our sustainability report for FY 2022-23.

**2 Please provide details of Total Scope – 3 Emissions and Its Intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
<b>Total Scope – 3 Emissions</b> (Break-Up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , If Available)	Metric tonnes of CO <sub>2</sub> equivalent	<b>6,35,976</b>	<b>5,40,030</b>
<b>Total Scope – 3 Emissions per Rupee of Turnover</b>	tCO <sub>2</sub> e/INR crores	231.66	169.92
<b>Total Scope – 3 Emission Intensity</b> (Optional) – the Relevant Metric May Be Selected by the Entity	tCO <sub>2</sub> e/MT	2.09	2.01
Note: Indicate If Any Independent Assessment/ Evaluation/Assurance Has Been Carried Out by an External Agency? (Y/N) If Yes, Name of the External Agency		Yes, Bureau Veritas provided independent verification and validation for Scope 3 emissions as per ISO 14064 for FY 2023-24.	Yes, Bureau Veritas provided independent verification and validation for Scope 3 emissions as per ISO 14064 for FY 2022-23.

**3 With respect to the Ecologically Sensitive Areas, reported at Question 11 of Essential Indicators above Provides Details of the Significant Direct and Indirect Impact of the Entity on Biodiversity in Such Areas, alongwith Prevention and Remediation Activities.**

Not applicable

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

S.No	Initiative Undertaken	Details of the Initiative (Web Link, If Any, May Be Provided along with Summary)	Outcome of the Initiative
1	Power saving in blower	-	Energy savings
2	Energy reduction in chiller	-	Chiller efficiency improvements
3	Power saving in the cooling tower circulation system	-	Energy savings
4	Energy reduction in air compressor	-	Air compressor efficiency improvements
5	Power saving in mixing operation	-	Efficiency improvement and power savings
6	Reduction in natural gas consumption	-	Fuel reduction
7	Elimination of energy-consuming unit	-	Energy reduction
8	Energy saving in LA heating	-	Steam reduction

## 5 Does the Entity have a Business Continuity and Disaster Management Plan? Give details in 100 Words/ Web Link.

We have a Business Continuity Plan (BCP) comprising annual budgeting, long-term budgeting, a career development plan for most employees, and a succession plan for all the key positions. The Board reviews our succession plan's progress on a half-yearly basis. We complement this BCP with strategic deployment metrics (SDM). Our BCP relies on various process policies such as sustainability, safety, health and environment, business creation, business development, innovation, people energy, sourcing, conversion, and quality processes. The main objective is to ensure business continuity and zero negative impact on society, the environment, stakeholders, and economic losses. We conduct internal and external training for its employees and workers to make our BCP more robust. The central risk review committee identifies, measures, monitors, and reviews significant organisational risks. This risk review committee comprises our Board of Directors.

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

No adverse impact on the environment arises from the value chain entity. Following proactive measures have been taken by the entity to reduce the risk:

### 1) Traceability

We have completed the 10<sup>th</sup> Oil Palm traceability cycle in 2024, which involves work from our Company and value chain partners. We carry out the oil palm traceability cycle annually.

### 2) Sourcing policy

- The organisation is dedicated to ensuring our suppliers protect the rights of local communities, workers, and palm oil smallholders. This commitment is a cornerstone of our sourcing policy and reflects our strong sense of social responsibility.
- The organisation shall strive to ensure that our suppliers commit to protecting peat land and high-carbon stock areas, using deforestation-free palm oil feedstock, and complying with the country's laws.

## 7 Percentage of Value Chain Partners (by Value of Business Done with Such Partners) that were Assessed for Environmental Impacts.

We conduct physical audits of vendor facilities, evaluating them on safety, health and environmental parameters. During FY 2023-24, we audited 36% of our raw material suppliers and 50% of our packaging material suppliers.

**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

We are members of various industries and trade bodies and actively participate in industry events and stakeholder consultation/dialogue that lead to policy formulation by different regulatory bodies—a detailed table mentioned as per SEBI guidance in 1B of Principle 7.

#### 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.

S. No.	Name of the Trade and Industry Chambers/Associations	Reach of Trade and Industry Chambers/Associations (State/National)
1	Indian Chemical Council (ICC)	National
2	American Cleaning Institute (ACI)	International
3	Bombay Chamber of Commerce and Industry (BCCI)	National
4	CHEMEXCIL - Basic Chemicals, Pharmaceuticals and Cosmetics Export Promotion Council	National
5	Indian Specialty Chemical Manufacturers' Association (ISCMA)	National
6	CII TPM Club	National
7	Renewable Energy Demand Enhancement (REDE) initiative	National
8	Taloja Manufacturing Association	State
9	Tarapur Industrial Manufacturer Association	State
10	Jhagadia Industries Association	State

**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.**

Not applicable

**Leadership Indicators**

**1 Details of Public Policy Positions Advocated by the Entity:**

S. No	Public Policy Advocated	Method Resorted for Such Advocacy	Whether Information Available in Public Domain? (Yes/No)	Frequency of Review by Board (Annually/Half-Yearly/Quarterly/ Others – Please Specify)	Web Link, If Available
Not Applicable					

**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 the applicable laws, in the Current Financial Year 2023–24.**

Name and Brief Details of Project	SIA Notification No	Date of Notification	Whether Conducted by Independent External Agency (Yes/No)	Results Communicated in Public Domain (Yes/No)	Relevant Web Link
Not Applicable					

**2 Provide Information on Project(s) for which Ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your Entity, in the following format:**

Name of Project for Which R&R Is Ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount Paid to PAFs during FY 2023-24 (INR)
Not Applicable					

**3 Describe the Mechanisms to receive and redress grievances of the Community.**

We organise stakeholder engagement at all the manufacturing sites focusing on discussing, receiving and redressing any community grievances around the manufacturing sites. We use a feedback form mechanism to capture inputs/feedback from stakeholders. In case of any written communication sent by stakeholders, we respond satisfactorily to the community, including meeting with them, clarifying issues, and addressing stakeholder grievances.

**4 Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly Sourced from MSMEs/Small Producers	Raw materials: 10 Packaging materials: 75	Raw materials: 13 Packaging materials: 87
Sourced Directly from within the District and Neighbouring Districts	Raw materials: 28 Packaging materials: 61	Raw materials: 33 Packaging materials: 43

**5 Job Creation in smaller towns – disclose wages paid to Persons Employed (including Employees or Workers Employed on a Permanent or Non-permanent / On Contract Basis) in the following locations, as % of Total Wage Cost**

Location	FY 2023-24	FY 2022-23
Rural	-	-
Semi-urban	54	51
Urban	18	17
Metropolitan	28	32

(\*Place to be categorised per RBI's classification system - rural/semi-urban/urban/metropolitan)

### Leadership Indicators

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

Details of Negative Social Impact Identified	Corrective Action Taken
Not Applicable	

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

S. No.	State	Aspirational District	Amount spent (In INR)
Not Applicable as we are not working in districts declared aspirational by the government.			

**3 a) Do You Have a Preferential Procurement Policy Where You Give Preference to Purchase from Suppliers Comprising Marginalised/Vulnerable Groups? (Yes/No)**

No

**(b) From Which Marginalised/Vulnerable Groups Do You Procure?**

Not Applicable

**(c) What Percentage of Total Procurement (by Value) Does It Constitute?**

Not Applicable

**4 Details of the benefits derived and Shared from the Intellectual Properties owned or acquired by your Entity (in the Current Financial Year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of Calculating Benefit Share
Not Applicable				

**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.**

Name of Authority	Brief of the Case	Corrective Action Taken
Not Applicable		

## 6 Details of Beneficiaries of CSR Projects:

S. No.	CSR Project	No. of Persons Benefitted by CSR Projects	% of Beneficiaries from Vulnerable and Marginalised Groups
1	Aarogya Vardheeni	71864	100
2	Gyan Sanjeevani	9661	100
3	Samajeek Uthaan	313195	100
4	Paryavaran Suraksha	94281	100
5	Stree Unnati	1210	100
6	Aapda Rahat	400	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.

We are in a B2B business and receive feedback about our products and services from our customers who cater to end consumers. We handle customer feedback through our well-established, well-established and robust digital customer complaint management system. We acknowledge customer complaints within 24 hours. We follow the 8D (eight disciplines) methodology, a rigorous and structured tool for responding to customer complaints and preventing recurrence. Devising an interim containment plan, systemic root cause analysis, implementing a permanent solution to prevent recurring problems, customer reassurance, and a customer-centricity approach are the key elements of our complaint management process. We are certified with ISO 10002:2018 for customer complaint handling and customer satisfaction management systems. We rolled out NPS (Net Promoter Score) a few years back to seek customer feedback and suggestions. Our NPS 2023 has increased compared to the last survey (2019), and we are currently in the 'Diamond' category.

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

	As a Percentage of Total Turnover
Environmental and Social Parameters Relevant to the Product	100
Safe and Responsible Usage	100
Recycling and/or Safe Disposal	100

#### 3 Number of Consumer Complaints with respect to the following:

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received During the Year	Pending Resolution at End of the Year		Received During the Year	Pending Resolution at End of the Year	
Data Privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cybersecurity	Nil	Nil	-	Nil	Nil	-
Delivery of Essential Services	-	-	NA	-	-	NA
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other						

\* According to the Essential Service Maintenance Act of 1968, the products and services we provide are not covered under the 'essential service' definition.

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

	Number	Reasons for Recall
Voluntary Recalls	3	As per SOP (mock recall)
Forced Recalls	19	Deviations in qualitative parameters

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

We have Information Security Policy. The organisation functions as per the policy's requirements.

**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

**7 Provide the following information relating to data breaches:****a. Number of Instances of Data Breaches**

Nil

**b. Percentage of Data Breaches Involving Personally Identifiable Information of Customer**

Nil

**c. Impact, If Any, of the Data Breaches**

Nil

## Leadership Indicators

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

Channels/platforms where information on the entity's products and services can be accessed.

<https://www.galaxysurfactants.com/products/product-groups/fatty-alcohol-sulfates.aspx>

<https://galaxysurfactants.com/products/market-segments/market.aspx>

**Social media**

<https://linkedin.com/company/galaxysurfactantslimited/>

[https://www.instagram.com/galaxy\\_surfactants/](https://www.instagram.com/galaxy_surfactants/)

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

We educate customers through our safety data sheets (SDS), questionnaires, product brochures, customer interactions, product labels and BQ-Flash booklets. We display product information like product trade name, gross weight, and tare weight on regular product labels. In addition, in the case of specific countries/customers, we share information concerning product hazards per the GHS (Globally Harmonised System of Classification and Labelling of Chemicals)/CLP (Classification, Labelling and Packaging) regulations. While transporting dangerous goods, we ensure the use of United Nations (UN)-certified packaging material and affixation of dangerous goods labels in compliance with IMDG (International Maritime Dangerous Goods) and IATA (International Air Transport Association) norms.

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

We have an online platform for managing change, wherein the team activates communication with customers in case of any changes that would impact our services. The procedure for managing change, including the change notification period, is already in place. Our business creation and key account management team manages all the critical information flow to customers.

**4 Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your Entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the Entity or the Entity as a whole? (Yes/No)**

Yes. all our products have storage and handling instructions on labels. We display product information like product trade name, gross weight, and tare weight on regular product labels. We also provide technical (TDS) and safety (SDS) data sheets for more information per GHS or CLP guidelines. Our dedicated team conducts a biennial customer satisfaction survey to understand customer satisfaction levels with products and services our Company provides. We have also rolled out the real-time satisfaction survey for certain services, providing insights from our customers' feedback. We evaluate all feedback and take appropriate actions to meet customer expectations.

Disclaimer: Third-party BRSR audit was conducted for FY 23-24, and the BRSR reported figures for FY 22-23 have been revised and reported accordingly.



# INDEPENDENT AUDITOR'S REPORT

## To The Members of GALAXY SURFACTANTS LIMITED

### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

#### OPINION

We have audited the accompanying standalone financial statements of Galaxy Surfactants Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### BASIS FOR OPINION

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

#### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Fair valuation of financial instruments- Investment in Preference shares in subsidiary company</b></p> <p><b>(Refer Note 6, sub note (p), (t) of Note 1(B), Note 51 and note 52 to Standalone financial statements of the Company)</b></p> <p>The Company's investment in preference shares in the subsidiary Company amounting to ₹ 193.13 Crores is considered as a financial asset and is measured at fair value through Profit &amp; loss in accordance with Ind AS 109.</p> <p>In terms of Ind AS 113, Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.</p> <p>Management has determined the fair values with the assistance of an external expert (management expert).</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> <li>We assessed the appropriateness of the valuation techniques used by the management for valuation of these financial instruments.</li> <li>We tested the design and operative effectiveness of the controls over valuation of investments including controls over assumptions used by the management's expert.</li> <li>We obtained the fair valuation report of management's expert.</li> <li>We assessed the objectivity and competence of the management's expert.</li> <li>We evaluated the reasonableness of the future cash flows considered by the management in respect of the preference shares.</li> <li>We tested the assumptions used by the management's expert to determine whether these were reasonable and consistently applied. We involved our valuation specialists to assist in our assessment of the fair value of the preference shares.</li> </ul>

Sr. No. Key Audit Matter	Auditor's Response
<p>The fair value was determined based on the discounted cash flow model. The result of the fair value measurement depends to a large extent on the management's assessment of future cash inflows and the discount rate used, and is therefore subject to significant judgement. Due to the estimation uncertainty of the valuation and due to the fact that changes in assumptions could affect the fair value of the financial assets, this matter was of particular significance in the context of our audit.</p>	<ul style="list-style-type: none"> <li>With the assistance of our fair value specialists, we evaluated the reasonableness of the (1) valuation methodology and (2) discount rate by: <ul style="list-style-type: none"> <li>Testing the source information underlying the determination of the discount rate and the mathematical accuracy of the calculation.</li> <li>Developing a range of independent estimates and comparing those to the discount rate selected by management.</li> </ul> </li> </ul>

## INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including Annexures to Director's Report, Management Discussion and Analysis Report, Business Responsibility Report, but does not include the consolidated financial statements, 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.

## RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies;

making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis

for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of 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 (i) in 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 financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical

requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not complying with the requirement of audit trail as stated in (i)(vi) below.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows 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 Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
  - g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to

our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to standalone financial statements.

- h) 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.
- i) 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 41 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 55 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 55 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. 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.

As stated in note 1 (under Statement of Changes in Equity) to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, except that:
  - in respect of an accounting software operated by a third party software service provider for maintaining payroll records, based on the independent auditor’s system and organisation controls report covering the

requirement of audit trail, the software has a feature of recording audit trail (edit log) facility and the same has operated during the period April 1, 2023 till December 31, 2023 and there were no instance of audit trail feature being tampered with. In the absence of an independent auditor's system and organisation controls report covering the audit trail requirement for the remaining period, we are unable to comment whether the audit trail feature of the said software was enabled and operated post December 31, 2023, for all relevant transactions recorded in the software or whether there was any instance of the audit trail feature been tampered with (refer note 56 of the standalone financial statements).

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting

softwares for which the audit trail feature was enabled and operating.

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

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No 117366W/W-100018)

**Kedar Raje**

(Partner)

Place: Mumbai

(Membership No. 102637)

Date: May 21, 2024

(UDIN: 24102637BKELXH1676)

# ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Galaxy Surfactants Limited of even date)

## REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls with reference to standalone financial statements of Galaxy Surfactants Limited (“the Company”) as at March 31, 2024 in conjunction with our audit of the standalone Ind AS 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 with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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.

### AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the 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 with reference to standalone financial statements.

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company’s internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

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

## OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements 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 **Deloitte Haskins & Sells LLP**

Chartered Accountants  
(Firm's Registration No 117366W/W-100018)

**Kedar Rajee**

(Partner)

Place: Mumbai

Date: May 21, 2024

(Membership No. 102637)

(UDIN: 24102637BKELXH1676)

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

### (Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital work-in-progress and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Some of the Property, Plant and Equipment, capital work-in-progress and right-of-use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, capital work-in-progress, and right-of-use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on the examination of the records provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work in progress, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from lenders / custodians.
- (d) According to the information and explanations given to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.
- (e) To the best of our knowledge and according to information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories (except for goods-in-transit and stocks held with third parties), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in transit, the goods have been received subsequent to the year end or confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories /alternate procedures performed as applicable, when compared with the books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
- (iii) The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:
- (a) The Company has provided loans, stood guarantee, or provided security during the year and details of which are given below:

Particulars	Loans (₹ In Crores)	Guarantees (₹ In Crores)
A. Aggregate amount granted/provided during the year:		
- Others	1.50	-
B. Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	-	3.71
- Others	1.95	-

The Company has not provided any advances in nature of loans to any other entity during the year.



- (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted or advances in the nature of loans provided 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 are regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, 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 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) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of
- loans granted, investment made and guarantees, and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act. Hence, reporting under clause (v) of paragraph 3 of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in respect of remittance of Employees' State Insurance and Provident Fund dues.
- (b) Undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable are as given below:

Name of Statute	Nature of the dues	Amount (₹ in Crores)	Period to which the Amount Relates	Due Date	Date of payment
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	0.00*	June'22	15-Jul-22	NA
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	0.00*	Sept'22	15-Oct-22	NA
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	0.00*	Apr'23	15-May-23	NA
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	0.00*	Jul'23	15-Aug-23	NA

\* Figures less than ₹ 50,000

- (c) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31<sup>st</sup> March 2024 on account of disputes are given below

Statute	Nature of Dues	Amount involved (₹ In Crores)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty	2.59*	FY 2006-2007 to FY 2010-2011, FY 2013-14	Appellate Tribunal
		3.18^	FY 2016-2017 to FY 2017-2018	Commissioner (Appeals)
Finance Act, 1994	Service Tax	1.15	FY 2011-2012 to FY 2014-2015	Commissioner (Appeals)
Income Tax Act, 1961	Income Tax	1.41	FY 2010-2011	Commissioner (Appeals)
Maharashtra Value Added Tax Act, 2002	Value Added Tax/ Central Sales Tax	2.55\$	FY 2010-2011 to FY 2016-2017	Sales Tax Tribunal
Gujarat Value Added Tax Act, 2003	Value Added Tax/ Central Sales Tax	0.01	FY 2016-2017	Joint Commissioner
The Custom Act, 1962	Custom Duty	56.39@	FY 2014-2015, FY 2017-2018 to FY 2020-2021	Appellate Tribunal
Central Goods and Services Tax Act, 2017	Goods and Service Tax	0.00#&	FY 2017-2018	Commissioner (Appeals)
Maharashtra Municipal Corporations Act, 1949	Local Body Taxes	5.60	FY 2016-2017, FY 2017-2018	Commissioner

\* Net of ₹ 0.24 Cr paid under protest.

^ Net of ₹ 0.11 Cr paid under protest.

\$ Net of ₹ 0.86 Cr paid under protest.

@ Net of ₹ 6.26 Cr paid under protest.

& Net of ₹ 0.04 Cr paid under protest.

# Figures less than ₹ 50,000

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other 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) To the best of our knowledge and belief, in our opinion, the Company has during the year applied the term loans to the extent unutilised by the Company in the previous year were, for the purposes for which the loans were obtained, other than temporary deployment pending application.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company has not made any investment in or given any new loan or advances to any of its subsidiaries during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (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.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under subsection (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 upto the date of this report.
- (c) As represented to us by the Management, we have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.

- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 2024.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its subsidiary company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b) and (c) of paragraph 3 of the Order is not applicable.
- (d) The Group does not have any Core Investment Company (CIC) as part of the group and accordingly reporting under clause (xvi)(d) of paragraph 3 of the Order is not applicable to the Company.
- (xvii) The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet date and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No 117366W/W-100018)

**Kedar Raje**

(Partner)

Place: Mumbai

(Membership No. 102637)

Date: May 21, 2024

(UDIN: 24102637BKELXH1676)

# STANDALONE BALANCE SHEET

as at 31<sup>st</sup> March, 2024

Particulars	Note	₹ Crores	
		2024	2023
<b>I. Assets</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	526.50	526.26
(b) Right of use Asset	3	101.01	98.39
(c) Capital Work-in-Progress	4	155.41	84.48
(d) Other Intangible Assets	5	4.37	5.10
(e) Financial Assets			
(i) Investments	6	195.65	199.96
(ii) Loans	7	1.37	0.80
(iii) Other Financial Assets	8	10.68	8.61
(f) Income Tax Assets (Net)		9.08	8.01
(g) Other Non-Current Assets	9	45.21	25.27
<b>Total Non-Current Assets</b>		<b>1,049.28</b>	<b>956.88</b>
<b>Current Assets</b>			
(a) Inventories	10	327.64	338.91
(b) Financial Assets			
(i) Investments	11	24.05	-
(ii) Trade Receivables	12	454.81	457.80
(iii) Cash and Cash Equivalents	13	21.90	21.69
(iv) Bank Balances other than Cash and Cash Equivalents	13	18.83	15.57
(v) Loans	7	0.58	0.43
(vi) Other Financial Assets	8	11.83	10.49
(c) Other Current Assets	9	81.29	61.24
<b>Total Current Assets</b>		<b>940.93</b>	<b>906.13</b>
<b>Total Assets</b>		<b>1,990.21</b>	<b>1,863.01</b>
<b>II. Equity And Liabilities</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	35.45	35.45
(b) Other Equity	15	1,370.07	1,188.50
<b>Total Equity</b>		<b>1,405.52</b>	<b>1,223.95</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	45.68	79.93
(ii) Lease Liabilities	17	8.42	4.14
(iii) Other Financial Liabilities	18	0.32	0.33
(b) Provisions	19	7.73	6.07
(c) Deferred Tax Liabilities (Net)	20	35.33	30.60
(d) Other Non-Current Liabilities	21	1.62	0.99
<b>Total Non-Current Liabilities</b>		<b>99.10</b>	<b>122.06</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	75.28	103.29
(ii) Lease Liabilities	17	3.68	4.25
(iii) Trade Payables			
(a) Total outstanding dues of Micro and Small Enterprises	23	11.75	10.75
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	23	352.60	362.65
(iv) Other Financial Liabilities	18	12.48	6.44
(b) Provisions	19	4.91	5.59
(c) Current Tax Liabilities (Net)		-	5.52
(d) Other Current Liabilities	21	24.89	18.51
<b>Total Current Liabilities</b>		<b>485.59</b>	<b>517.00</b>
<b>Total Equity And Liabilities</b>		<b>1,990.21</b>	<b>1,863.01</b>

The accompanying notes 1 to 57 are an integral part of the Standalone Financial Statements.

In terms of our report attached

For and on behalf of the Board

**Deloitte Haskins & Sells LLP**  
Chartered Accountants

**K. NATARAJAN**  
Managing Director  
DIN : 07626680

**VAIJANATH KULKARNI**  
Executive Director & COO  
DIN : 07626842

**KEDAR RAJE**  
Partner

**ABHIJIT DAMLE**  
Chief Financial Officer

**NIRANJAN KETKAR**  
Company Secretary

Place: Mumbai  
Date: 21<sup>st</sup> May, 2024

Place: Navi Mumbai  
Date: 21<sup>st</sup> May, 2024

# STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31<sup>st</sup> March, 2024

Particulars	Note	₹ Crores	
		2023-24	2022-23
Revenue from operations	24	2,745.24	3,178.05
Other Income	25	23.98	(5.98)
<b>Total Income</b>		<b>2,769.22</b>	<b>3,172.07</b>
<b>Expenses</b>			
Cost of materials consumed	26	1,968.53	2,260.60
Purchases of Stock-in-trade	27	24.36	20.29
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	(26.77)	37.30
Employee benefits expense	29	154.92	140.58
Finance costs	30	12.32	12.32
Depreciation, amortisation and impairment expenses	31	62.64	52.62
Other expenses	32	306.21	360.75
<b>Total Expenses</b>		<b>2,502.21</b>	<b>2,884.46</b>
<b>Profit before exceptional items and tax</b>		<b>267.01</b>	<b>287.61</b>
Exceptional Items		-	-
<b>Profit before tax</b>		<b>267.01</b>	<b>287.61</b>
Tax Expenses			
Current Tax	33	60.39	72.01
Deferred Tax charge / (credit)	33	6.28	1.59
<b>Total Tax Expenses</b>		<b>66.67</b>	<b>73.60</b>
<b>Profit for the year</b>		<b>200.34</b>	<b>214.01</b>
<b>Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to profit or loss :			
Remeasurements of the defined benefit plans		(6.14)	(0.15)
(ii) Income tax relating to items that will not be reclassified to profit or loss	34	1.55	0.04
B. (i) Items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income</b>		<b>(4.59)</b>	<b>(0.11)</b>
<b>Total Comprehensive Income for the year</b>		<b>195.75</b>	<b>213.90</b>
Earnings per equity share :			
(Face value ₹10 per share)			
Basic (₹)	35	56.51	60.36
Diluted (₹)	35	56.51	60.36

The accompanying notes 1 to 57 are an integral part of the Standalone Financial Statements.

In terms of our report attached

For and on behalf of the Board

**Deloitte Haskins & Sells LLP**

Chartered Accountants

**K. NATARAJAN**

Managing Director

DIN : 07626680

**VAIJANATH KULKARNI**

Executive Director & COO

DIN : 07626842

**KEDAR RAJE**

Partner

**ABHIJIT DAMLE**

Chief Financial Officer

**NIRANJAN KETKAR**

Company Secretary

Place: Mumbai

Date: 21<sup>st</sup> May, 2024

Place: Navi Mumbai

Date: 21<sup>st</sup> May, 2024

# STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31<sup>st</sup> March, 2024

## A) EQUITY SHARE CAPITAL

Particulars	₹ Crores	
	2024	2023
<b>Issued and Subscribed :</b>		
Balance at the beginning of the current reporting period	35.45	35.45
Changes in Equity Share Capital during the reporting period	-	-
<b>Balance at the end of the current reporting period</b>	<b>35.45</b>	<b>35.45</b>

## B) OTHER EQUITY

Particulars	Reserves and Surplus			Total Other Equity
	Securities Premium Account	General Reserve	Retained Earnings	
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>0.20</b>	<b>26.38</b>	<b>1,075.66</b>	<b>1,102.24</b>
Profit for the year	-	-	214.01	214.01
Other Comprehensive Income / (Loss) (Net of tax expenses)	-	-	(0.11)	(0.11)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>213.90</b>	<b>213.90</b>
Final Dividend on Equity Shares	-	-	(63.82)	(63.82)
Interim Dividend on Equity Shares	-	-	(63.82)	(63.82)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>0.20</b>	<b>26.38</b>	<b>1,161.92</b>	<b>1,188.50</b>
Profit for the year	-	-	200.34	200.34
Other Comprehensive Income / (Loss) (Net of tax expenses)	-	-	(4.59)	(4.59)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>195.75</b>	<b>195.75</b>
Final Dividend on Equity Shares	-	-	(14.18)	(14.18)
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>0.20</b>	<b>26.38</b>	<b>1,343.49</b>	<b>1,370.07</b>

### Note :

#### B.1 : Details of Dividend proposed

Particulars	₹ Crores	
	2024	2023
Dividend per share (In ₹)	22.00	4.00
Dividend proposed on Equity Shares	78.00	14.18
<b>Total Dividend proposed</b>	<b>78.00</b>	<b>14.18</b>

The Board of Directors of the company at its meeting held on 21<sup>st</sup> May, 2024 has approved final dividend of ₹ 22 per share (220% of the face value of the equity share of face value of ₹ 10 each) amounting to ₹ 78.00 crores for the year ended 31<sup>st</sup> March, 2024. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company to be held on 07<sup>th</sup> August, 2024.

**The accompanying notes 1 to 57 are an integral part of the Standalone Financial Statements.**

In terms of our report attached

For and on behalf of the Board

**Deloitte Haskins & Sells LLP**

Chartered Accountants

**K. NATARAJAN**

Managing Director

DIN : 07626680

**VAIJANATH KULKARNI**

Executive Director & COO

DIN : 07626842

**KEDAR RAJE**

Partner

**ABHIJIT DAMLE**

Chief Financial Officer

**NIRANJAN KETKAR**

Company Secretary

Place: Mumbai

Date: 21<sup>st</sup> May, 2024

Place: Navi Mumbai

Date: 21<sup>st</sup> May, 2024

# STANDALONE STATEMENT OF CASH FLOWS

for the year ended 31<sup>st</sup> March, 2024

Particulars	₹ Crores	
	2023-24	2022-23
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES :</b>		
<b>Profit After Tax</b>	<b>200.34</b>	<b>214.01</b>
<b>Adjustments for :</b>		
Income tax expenses	66.67	73.60
Finance costs	12.32	12.32
Interest Subvention income	(0.80)	(1.52)
Interest income	(2.29)	(2.54)
Deferred income from Export Promotion Capital Goods Scheme (EPCG)	(0.10)	(0.10)
Net foreign exchange loss/(gain)	(0.11)	1.05
Loss/(Gain) on sale/retirement of Property, Plant and Equipment (Net)	1.31	0.90
Impairment Reversal in Property, Plant and Equipment	(1.33)	(0.22)
Gain on early termination of leases	-	(0.34)
Depreciation, amortisation and impairment expenses	62.64	52.62
Net loss/(gain) arising on financial assets mandatorily measured at Fair Value through Profit and Loss (Preference shares)	(19.62)	8.20
Bad Debts and allowance for Doubtful Debts (Net)	0.26	0.10
Liabilities no longer required written back	-	(0.08)
	<b>118.95</b>	<b>143.99</b>
<b>Operating Profit before Working Capital changes</b>	<b>319.29</b>	<b>358.00</b>
<b>Changes in :</b>		
Trade receivables & Other Assets	(16.86)	12.10
Inventories	11.27	70.55
Trade payables & Other Liabilities	(8.31)	(41.81)
	<b>(13.90)</b>	<b>40.84</b>
<b>Cash generated from operations</b>	<b>305.39</b>	<b>398.84</b>
Income Taxes Paid (net of refunds)	(66.98)	(68.21)
<b>NET CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES</b>	<b>238.41</b>	<b>330.63</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES :</b>		
Interest received	2.80	2.33
Payments for Property, Plant & Equipment (including Capital Work-in-Progress) and Intangible Assets	(140.55)	(97.24)
Proceeds from disposal of Property, Plant & Equipment	1.73	1.26
(Purchase)/ Sale of Current Investments (Net)	(24.05)	-
(Increase)/ Decrease in Earmarked balances with banks (Net)	0.10	(0.13)
(Increase)/ Decrease in bank deposits not considered as Cash & Cash Equivalents (Net)	(6.36)	(9.76)
Proceeds from redemption of 10% Non Cumulative Redeemable Preference Shares	23.93	-
<b>NET CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES</b>	<b>(142.40)</b>	<b>(103.54)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES :</b>		
Proceeds from long term borrowings	-	40.00
Repayment of long term borrowings	(22.86)	(21.40)
Proceeds from/(Repayment of) short term borrowings (Net)	(38.81)	(85.59)
Dividend paid on equity shares	(14.28)	(127.51)
Interest paid	(14.43)	(15.09)
Payment of lease liabilities	(5.39)	(3.98)
<b>NET CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES</b>	<b>(95.77)</b>	<b>(213.57)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>0.24</b>	<b>13.52</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>21.69</b>	<b>8.15</b>
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	(0.03)	0.02
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>21.90</b>	<b>21.69</b>

**Note:**

The above statement of cash flows has been prepared under the "Indirect method" as set out in Indian Accounting Standard (IND AS) 7 - "Statement of Cash flows".

The accompanying notes 1 to 57 are an integral part of the Standalone Financial Statements.

In terms of our report attached

For and on behalf of the Board

**Deloitte Haskins & Sells LLP**  
Chartered Accountants

**K. NATARAJAN**  
Managing Director  
DIN : 07626680

**VAIJANATH KULKARNI**  
Executive Director & COO  
DIN : 07626842

**KEDAR RAJE**  
Partner

**ABHIJIT DAMLE**  
Chief Financial Officer

**NIRANJAN KETKAR**  
Company Secretary

Place: Mumbai  
Date: 21<sup>st</sup> May, 2024

Place: Navi Mumbai  
Date: 21<sup>st</sup> May, 2024

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 1. (A) CORPORATE INFORMATION

Galaxy Surfactants Ltd. ("the Company") is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The address of its registered office is C-49/2, TTC Industrial Area, Pawne, Navi Mumbai - 400703, Maharashtra.

The Company is engaged in manufacturing of surfactants and other specialty ingredients for the personal care and home care industries. The products of the company find application in a host of consumer-centric personal care and home care products, including, inter alia, skin care, oral care, hair care, cosmetics, toiletries and detergent products.

The Equity shares of the Company are listed on the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE") in India.

## (B) SIGNIFICANT ACCOUNTING POLICIES

### a) Statement of compliance

These Standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

The financial statements of the Company for the year ended 31<sup>st</sup> March, 2024 were approved for issue in accordance with a resolution of the Board of Directors in its meeting held on 21<sup>st</sup> May, 2024.

### b) Basis of preparation and presentation

The financial statements are prepared in accordance with the historical cost basis, except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair

value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116– Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

### The principal accounting policies are set out below

#### c) Revenue Recognition

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains control of the asset.

Revenue is measured based on transaction price, stated net of discounts, returns & goods and service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

#### Other Income

Dividend income from investments is recognised when the shareholder's right to receive dividend has been established.

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.

#### d) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

depreciation and impairment losses, if any. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, decommissioning costs, if any and interest on borrowings attributable to acquisition of qualifying asset up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance and cost can be measured reliably.

Machinery spares that meet the definition of property, plant and equipment are capitalised.

Property, Plant and Equipment which are not ready for intended use as on date of Balance Sheet are disclosed as "Capital work-in-progress". Projects are carried at cost comprising of direct cost and related incidental expenses and attributable borrowing costs, if any.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation on these assets commences when assets are ready for their intended use which is generally on commissioning. Items of Property, Plant and Equipment are depreciated in a manner that amortises the cost of the assets after commissioning less its residual value, over their useful lives as specified in Schedule II of the Act on a straight line basis.

Depreciation on additions/deletions during the year is provided on pro-rata basis from/up to the date of such addition/deletion.

Property, Plant and Equipment's residual values and useful lives are reviewed at each Balance

Sheet date and changes, if any, are treated as changes in accounting estimate.

## e) Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives so as to reflect the pattern in which the assets economic benefits are consumed. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The amortisation of intangible asset is included in Depreciation and Amortisation expense in the Statement of Profit and Loss.

## Software

The expenditure incurred is amortised over the five years equally commencing from the date of acquisition.

## Technical Know-how

The expenditure incurred on Technical Know-how is amortised over the estimated period of benefit, not exceeding ten years commencing from the date of acquisition.

## Research & Development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical and economic feasibility and marketability has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, Plant and Equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment.

## f) Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

Raw materials and bought out components are valued at the lower of cost or net realisable value. Cost is determined on the basis of the weighted average method.

Finished goods produced and purchased for sale, manufactured components and work-in-progress are carried at cost or net realisable value whichever is lower.

Stores, spares and tools other than obsolete and slow moving items are carried at cost. Obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

## g) Equity Investments in Subsidiaries

Equity Investments in Subsidiaries are carried individually at cost less accumulated impairment, if any.

## h) Leases

### The Company as a lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company assesses whether contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a Right of use (ROU) Asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense over the term of the lease.

The Right of use Asset are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease

incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right of use Asset are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

Lease liability and Right of use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### The Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

## i) Foreign exchange transactions and translations

Transactions in foreign currencies i.e. other than the Company's functional currency of Indian Rupees are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on revaluation are recognised in the Statement of Profit and Loss in the period in which they arise.

## j) Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made.

## Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Service cost and net interest expenses or income is recognised in the Statement of Profit and Loss. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to profit or loss.

## Short term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

## Long term Compensated absences

The employees of the Company are entitled to compensated absences for which the Company records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

## k) Borrowing Costs

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

- Borrowing costs that are attributable to the acquisition or construction of qualifying tangible and intangible assets that

necessarily take a substantial period of time to get ready for their intended use, which are capitalised as part of the cost of such assets.

- Expenses incurred on raising long term borrowings are amortised using effective interest rate method over the period of borrowings.

Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

## l) Taxes on Income

Taxes on income comprises of current taxes and deferred taxes.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised on temporary differences, being differences between the carrying amount of assets and liabilities and corresponding tax bases used in the computation of taxable profit. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## m) Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate pre-tax discount rate to determine whether there is any indication that those assets have suffered any impairment loss. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

## n) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material provision is carried at the present value of the cash flows required to settle the obligation.

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. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are possible assets that arises from past events and whose existence

will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

## o) Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

## p) Financial instruments, Financial assets, Financial liabilities and Equity instruments:

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through Profit and Loss) are added to or deducted from the fair value on

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

initial recognition of financial assets or financial liabilities. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit and Loss are recognised immediately in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

## Classification and subsequent measurement

### Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as measured at -

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) ; or
- Fair Value Through Profit and Loss (FVTPL)

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

All financial asset not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Any gain and loss on derecognition is recognised in the Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant

period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in Other Comprehensive Income and accumulated in the reserves. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purposes. Upon the application of Ind AS 109, the Company has chosen to designate these investments as at FVTOCI as the Company believes that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in the Statement of Profit and Loss. Dividend income received on such equity investments are recognised in the Statement of Profit and Loss.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in the Statement of Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

## Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

## Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

proceeds received, net of directly attributable transaction costs.

## Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

## Compound instruments

An issued financial instrument that comprises of both the liability and equity components are accounted as compound financial instruments. The fair value of the liability component is separated from the compound instrument and the residual value is recognised as equity component of financial instrument. The liability component is subsequently measured at amortised cost, whereas the equity component is not remeasured after initial recognition. The transaction costs related to compound instruments are allocated to the liability and equity components in the proportion to the allocation of gross proceeds. Transaction costs related to equity component is recognised directly in equity and the cost related to liability component is included in the carrying amount of the liability component and amortised using effective interest method.

## Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

## Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

## Financial guarantee contracts and loan commitments

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts and loan commitments issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

## Impairment of financial assets

The Company applies the expected credit loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

## q) Dividend Distribution

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

## r) Derivative contracts:

The Company uses derivative financial instruments such as foreign exchange forward contracts and interest rate swaps to hedge its foreign currency risks which are not designated as hedges. All derivative contracts are marked-to-market and losses/gains are recognised in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

## s) Use of Estimates and judgement:

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed at the end of each reporting period. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period

of the revision and future periods if the revision affects both current and future periods.

## Critical accounting judgements and key source of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## Useful lives of property, plant and equipment and intangible assets

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Useful lives of intangible assets is determined on the basis of estimated benefits to be derived from use of such intangible assets. These reassessments may result in change in the depreciation /amortisation expense in future periods.

## Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value at each balance sheet date or at the time they are assessed for impairment. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities require estimates to be made by the management and are disclosed in the notes to the financial statements.

## Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the financial statements.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## t) Fair value measurement:

The Company measures certain financial instruments at fair value at each reporting date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in the Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, 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)

## u) Earnings per share

- Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 2 PROPERTY, PLANT AND EQUIPMENT

₹ Crores

Particulars	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
<b>(I) Cost</b>						
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>160.58</b>	<b>544.96</b>	<b>19.07</b>	<b>6.27</b>	<b>23.99</b>	<b>754.87</b>
Add : Additions during the year	29.17	150.25	3.37	2.45	5.32	190.56
Less : Disposals / Adjustments during the year	(0.07)	(8.41)	(0.37)	(0.89)	(1.14)	(10.88)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>189.68</b>	<b>686.80</b>	<b>22.07</b>	<b>7.83</b>	<b>28.17</b>	<b>934.55</b>
Add : Additions during the year	5.65	43.21	1.75	2.07	4.17	56.85
Less : Disposals / Adjustments during the year	(0.19)	(9.36)	(0.01)	(0.32)	(0.37)	(10.25)
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>195.14</b>	<b>720.65</b>	<b>23.81</b>	<b>9.58</b>	<b>31.97</b>	<b>981.15</b>
<b>(II) Accumulated depreciation</b>						
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>61.35</b>	<b>274.92</b>	<b>14.85</b>	<b>2.87</b>	<b>17.06</b>	<b>371.05</b>
Add : Depreciation expenses for the year	5.81	35.25	0.85	0.75	3.25	45.91
Add : Impairment expense/(reversals) for the year (Refer Note 2.5)	-	(0.09)	-	-	-	(0.09)
Less : Disposals / Adjustments during the year	(0.03)	(6.41)	(0.35)	(0.67)	(1.12)	(8.58)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>67.13</b>	<b>303.67</b>	<b>15.35</b>	<b>2.95</b>	<b>19.19</b>	<b>408.29</b>
Add : Depreciation expenses for the year	6.94	41.72	1.02	1.04	3.92	54.64
Add : Impairment expenses/(reversals) for the year (Refer Note 2.5)	-	(1.33)	-*	-	-*	(1.33)
Less : Disposals / Adjustments during the year	(0.05)	(6.28)	(0.01)	(0.24)	(0.37)	(6.95)
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>74.02</b>	<b>337.78</b>	<b>16.36</b>	<b>3.75</b>	<b>22.74</b>	<b>454.65</b>
<b>Net carrying amount(I-II)</b>						
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>122.55</b>	<b>383.13</b>	<b>6.72</b>	<b>4.88</b>	<b>8.98</b>	<b>526.26</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>121.12</b>	<b>382.87</b>	<b>7.45</b>	<b>5.83</b>	<b>9.23</b>	<b>526.50</b>

Notes:

- 2.1 Buildings include shares being the value of shares in Co-operative housing Society of ₹ -\* (2022-23 : ₹ -\*)
- 2.2 The amount of borrowing costs capitalised is ₹ Nil ( 2022-23 : ₹ 6.38 Crores).

₹ Crores

Particulars	2024	2023
Buildings	-	0.93
Plant and Equipment	-	5.45

- 2.3 The amount of expenditure (other than borrowing cost) recognised in the carrying amount of property, plant and equipment in the course of construction is ₹ Nil (2022-23 : ₹ 10.40 crores) out of which ₹ Nil (2022-23 : ₹ 2.89 Crores) is incurred in current year.
- 2.4 Term loans from banks are secured by first pari passu charge created by mortgage of immovable properties located at Taloja and specified properties located at Tarapur and movable fixed assets at these locations.
- 2.5 The Impairment expenses have been included under 'Depreciation, amortisation and impairment expenses' and Impairment reversals have been included under 'Other Income' in the Statement of Profit and Loss.

\* Figures less than ₹ 50,000.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 3 RIGHT OF USE ASSET

Particulars	₹ Crores		
	Building	Land	Total
<b>(I) Cost</b>			
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>14.97</b>	<b>97.16</b>	<b>112.13</b>
Add : Additions during the year (Refer Note 3.2)	7.06	-	7.06
Less : Deductions/Adjustments during the year	(6.44)	-	(6.44)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>15.59</b>	<b>97.16</b>	<b>112.75</b>
Add : Additions during the year (Refer Note 3.2)	8.46	-	8.46
Less : Deductions/Adjustments during the year	(7.03)	-	(7.03)
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>17.02</b>	<b>97.16</b>	<b>114.18</b>
<b>(II) Accumulated Amortisation</b>			
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>8.01</b>	<b>5.60</b>	<b>13.61</b>
Add : Amortisation expenses for the year	3.46	1.06	4.52
Less : Deductions/Adjustments during the year	(3.77)	-	(3.77)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>7.70</b>	<b>6.66</b>	<b>14.36</b>
Add : Amortisation expenses for the year	4.78	1.06	5.84
Less : Deductions/Adjustments during the year	(7.03)	-	(7.03)
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>5.45</b>	<b>7.72</b>	<b>13.17</b>
<b>Net Carrying amount(I-II)</b>			
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>7.89</b>	<b>90.50</b>	<b>98.39</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>11.57</b>	<b>89.44</b>	<b>101.01</b>

Notes:

- 3.1 The amortisation expenses of Right of use Asset have been included under 'Depreciation, amortisation and impairment expenses' in the Statement of Profit and Loss.
- 3.2 Addition during the year include modification amounting to ₹ Nil (2022-23: ₹ 0.01 Crores).

## 4 CAPITAL WORK-IN-PROGRESS

Particulars	₹ Crores	
	2024	2023
Capital Work-in-Progress (Refer Note 4.1)	155.41	84.48
<b>Total</b>	<b>155.41</b>	<b>84.48</b>

Notes:

- 4.1 Capital work-in-progress (CWIP) Ageing Schedule:

### As at 31<sup>st</sup> March, 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	95.09	29.77	15.39	15.16	155.41
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>95.09</b>	<b>29.77</b>	<b>15.39</b>	<b>15.16</b>	<b>155.41</b>

### As at 31<sup>st</sup> March, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	50.14	18.53	15.60	0.21	84.48
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>50.14</b>	<b>18.53</b>	<b>15.60</b>	<b>0.21</b>	<b>84.48</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

- 4.2 Capital work-in-progress (CWIP) Completion Schedule for Projects that either are overdue or has exceeded its cost compared to its original plan:

## As at 31<sup>st</sup> March, 2024

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Efficiency Improvement and Capacity Expansion	33.19	53.44	3.23	-	89.86
<b>Total</b>	<b>33.19</b>	<b>53.44</b>	<b>3.23</b>	<b>-</b>	<b>89.86</b>

₹ Crores

## As at 31<sup>st</sup> March, 2023

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Efficiency Improvement and Capacity Expansion	18.01	17.00	-	-	35.01
<b>Total</b>	<b>18.01</b>	<b>17.00</b>	<b>-</b>	<b>-</b>	<b>35.01</b>

₹ Crores

- 4.3 There are no projects where activity has been suspended permanently in both the years.

## 5 OTHER INTANGIBLE ASSETS

Particulars	Computer Software	Technical Know How	Total
₹ Crores			
<b>(I) Cost</b>			
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>15.38</b>	<b>0.30</b>	<b>15.68</b>
Add : Additions during the year	1.88	-	1.88
Less : Deductions/Adjustments during the year	-*	-	-*
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>17.26</b>	<b>0.30</b>	<b>17.56</b>
Add : Additions during the year	1.43	-	1.43
Less : Deductions/Adjustments during the year	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>18.69</b>	<b>0.30</b>	<b>18.99</b>
<b>(II) Accumulated Amortisation</b>			
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>10.17</b>	<b>0.23</b>	<b>10.40</b>
Add : Amortisation expenses for the year	2.03	0.03	2.06
Less : Deductions/Adjustments during the year	-*	-	-*
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>12.20</b>	<b>0.26</b>	<b>12.46</b>
Add : Amortisation expenses for the year	2.13	0.03	2.16
Less : Deductions/Adjustments during the year	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>14.33</b>	<b>0.29</b>	<b>14.62</b>
<b>Net Carrying amount(I-II)</b>			
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>5.06</b>	<b>0.04</b>	<b>5.10</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>4.36</b>	<b>0.01</b>	<b>4.37</b>

Note:

- 5.1 The amortisation expenses of other intangible assets have been included under 'Depreciation, amortisation and impairment expenses' in the Statement of Profit and Loss.

\* Figures less than ₹ 50,000.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 6 INVESTMENTS (NON CURRENT)

Particulars	Face Value Per Unit	₹ Crores			
		2024		2023	
		Number	₹ Crores	Number	₹ Crores
<b>Investments in Equity Instruments:</b>					
<b>Unquoted (all fully paid unless otherwise specified)</b>					
<b>(A) At Cost</b>					
<b>(i) In Subsidiary Companies</b>					
<b>Equity shares</b>					
Galaxy Chemicals Inc.	US \$ 0.01	12,000	0.46	12,000	0.46
Galaxy Holdings (Mauritius) Ltd.	US \$ 1	5,00,000	2.37	5,00,000	2.37
<b>Investments in Equity Instruments (Total)</b>			<b>2.83</b>		<b>2.83</b>
Less: Provision for diminution in value of Investments (Refer Note 6.1)			(0.31)		(0.31)
<b>Investments in Equity Instruments (Net)</b>			<b>2.52</b>		<b>2.52</b>
<b>Investments in Preference Shares:</b>					
<b>Unquoted (all fully paid unless otherwise specified)</b>					
<b>(A) Carried at Fair Value Through Profit &amp; Loss (FVTPL)</b>					
<b>(i) In Subsidiary Companies</b>					
<b>Preference shares</b>					
10% Non Cumulative Redeemable Preference Shares					
Galaxy Holdings (Mauritius) Ltd.	US \$ 1	3,11,50,000	193.13	3,40,50,000	197.44
<b>Investments in Preference Shares (Total)</b>			<b>193.13</b>		<b>197.44</b>
<b>Total Non Current Investments (Net)</b>			<b>195.65</b>		<b>199.96</b>
<b>Other Disclosures</b>					
Aggregate carrying value of unquoted investments			195.65		199.96

Note:

6.1 The Board of Directors of the Parent Company, in its meeting held on 21<sup>st</sup> May, 2024 have resolved to revive the subsidiary 'Galaxy Chemical Inc., USA', which was earlier decided to be wound up. Pending the necessary formalities for revival, the provision for diminution in value of investments of ₹ 0.31 Crores is carried forward in the current year.

## 7 LOANS

Particulars	₹ Crores			
	2024		2023	
	Current	Non-Current	Current	Non-Current
<b>Financial assets at amortised cost :</b>				
<b>Other Loans (Employees)</b>				
- Unsecured, considered good	0.58	1.37	0.43	0.80
<b>Total</b>	<b>0.58</b>	<b>1.37</b>	<b>0.43</b>	<b>0.80</b>

Notes :

7.1 Loans given to employees as per the company's policy are not considered for the purpose of disclosure under section 186 (4) of the Companies act 2013.

7.2 The company has not granted any loans and advances which are either repayable on demand or are without specifying any terms or period of repayment.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 8 OTHER FINANCIAL ASSETS

Particulars	2024		2023	
	Current	Non- Current	Current	Non- Current
₹ Crores				
<b>Financial assets at amortised cost : (Considered Good, unless otherwise stated)</b>				
Security Deposits				
- Unsecured, considered good	0.40	9.18	0.27	8.47
Dues from Related Parties (Refer Note 43)	1.44	-	1.62	-
Advances				
- Considered Good	7.81	-	8.17	-
Bank Deposit (having maturity more than 12 months)	1.64	1.48	-	0.12
Interest accrued	0.54	-	0.34	-
Other Financial assets	-	0.02	-	0.02
	<b>11.83</b>	<b>10.68</b>	<b>10.40</b>	<b>8.61</b>
<b>Derivatives Financial instruments not designated as hedging instruments carried at Fair value through Profit and Loss</b>				
Derivative Financial instruments	-	-	0.09	-
<b>Total</b>	<b>11.83</b>	<b>10.68</b>	<b>10.49</b>	<b>8.61</b>

## 9 OTHER ASSETS

Particulars	2024		2023	
	Current	Non- Current	Current	Non- Current
₹ Crores				
<b>Advances</b>				
Capital Advances	-	29.41	-	9.19
Export Incentives receivable	3.90	1.19	4.07	1.19
Balance with government authorities	56.58	15.09	30.90	15.35
Prepaid Expenses	8.78	0.12	5.41	0.14
Other Advances (Refer Note 9.1)				
- Considered Good	12.05	-	20.88	-
- Considered Doubtful	0.02	-	0.02	-
	<b>81.33</b>	<b>45.81</b>	<b>61.28</b>	<b>25.87</b>
Less: Allowance for Doubtful Advances	(0.04)	(0.60)	(0.04)	(0.60)
<b>Total</b>	<b>81.29</b>	<b>45.21</b>	<b>61.24</b>	<b>25.27</b>

Note :

9.1 Other advances mainly include Advances to suppliers, etc.

## 10 INVENTORIES

Particulars	2024	2023
	₹ Crores	
Raw Materials [Including in transit of ₹ 27.11 Crores (2022-23 : ₹ 54.47 Crores)]	78.22	121.08
Packing Materials	9.71	8.33
Work-in-Progress	68.26	63.55
Finished Goods	132.22	110.22
Stock-in-Trade [Including in transit of ₹ 2.29 Crores (2022-23 : ₹ 0.83 Crores)]	5.35	5.29
Consumables, Stores and Spares [Including in transit of ₹ Nil (2022-23 : ₹ 0.01 Crores)]	33.88	30.44
<b>Total</b>	<b>327.64</b>	<b>338.91</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

Notes :

- 10.1 The cost of inventories recognised as an expense during the year was ₹ 2,283.56 Crores (2022-23 : ₹ 2,605.15 Crores).
- 10.2 The cost of inventories recognised as an expense includes ₹ 2.86 crores (2022-23 : ₹ 4.90 crores) in respect of write downs of inventory to net realisable value, and has been reduced by ₹ 0.18 crores (2022-23 : ₹ 0.35 crores) in respect of the reversal of such write downs. Previous write downs have been reversed as a result of internal consumption.
- 10.3 The company has availed working capital facilities from bank which are secured by hypothecation of inventories.
- 10.4 The mode of valuation of inventories is stated in sub-note (f) of Note 1B.

## 11 INVESTMENT (CURRENT)

Particulars	₹ Crores	
	2024	2023
<b>Unquoted</b>		
<b>Carried at Fair Value through Profit or Loss</b>		
Investment in Debt Mutual Fund	24.05	-
<b>Total</b>	<b>24.05</b>	<b>-</b>
<b>Other Disclosures</b>		
Aggregate carrying value of unquoted investments	24.05	-

## 12 TRADE RECEIVABLES

Particulars	₹ Crores	
	2024	2023
<b>Undisputed:</b>		
Unsecured, considered good (Refer Note 12.1)	454.81	457.80
Unsecured, Credit Impaired (Refer Note 12.2)	0.04	0.07
	<b>454.85</b>	<b>457.87</b>
Less : Allowance for expected credit loss (Refer Note 12.2)	(0.04)	(0.07)
<b>Total</b>	<b>454.81</b>	<b>457.80</b>

Notes :

- 12.1 Includes ₹ 43.74 Crores (2022-23 ₹ 57.89 Crores) receivable from subsidiaries. (Refer Note 43)
- 12.2 Also refer note 47(B) for disclosure related to Credit risk, Impairment of trade receivable under Expected Credit Loss and related disclosures.
- 12.3 The company has availed bank facilities which are secured by hypothecation of Trade Receivables.
- 12.4 Trade receivables Ageing Schedule:

### As at 31st March, 2024

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
		₹ Crores					
Undisputed Trade Receivables – considered good	372.10	81.74	0.47	0.17	0.33	-*	454.81
Undisputed Trade receivables – credit impaired	-	0.04	-	-	-	-	0.04
<b>Total Trade Receivables</b>	<b>372.10</b>	<b>81.78</b>	<b>0.47</b>	<b>0.17</b>	<b>0.33</b>	<b>-*</b>	<b>454.85</b>
Less : Allowance for expected credit loss (Refer Note 12.2)							(0.04)
<b>Net Trade Receivables</b>							<b>454.81</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## As at 31st March, 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	395.15	60.63	1.47	0.54	0.01	-*	457.80
Undisputed Trade receivables – credit impaired	-	-	0.03	-	-	0.04	0.07
<b>Total Trade Receivables</b>	<b>395.15</b>	<b>60.63</b>	<b>1.50</b>	<b>0.54</b>	<b>0.01</b>	<b>0.04</b>	<b>457.87</b>
Less : Allowance for expected credit loss (Refer Note 12.2)							(0.07)
<b>Net Trade Receivables</b>							<b>457.80</b>

\*Figures less than ₹ 50,000.

## 13 CASH AND BANK BALANCES

Particulars	2024	2023
<b>Cash and cash equivalents</b>		
<b>Balances with banks</b>		
- On Current Accounts	2.82	5.57
- Fixed Deposits with original maturity 3 months or less than 3 months	19.00	16.00
	<b>21.82</b>	<b>21.57</b>
Cash on hand	0.08	0.12
<b>Total Cash and cash equivalents</b>	<b>21.90</b>	<b>21.69</b>
<b>Bank balances other than cash and cash equivalents</b>		
Earmarked balances with banks (Refer Note 13.1)	0.83	0.93
Term Deposits	18.00	14.64
<b>Total Bank balances other than cash and cash equivalents</b>	<b>18.83</b>	<b>15.57</b>

Note :

13.1 Earmarked balances with banks represents amount set aside for payment of dividend.

## 14 EQUITY SHARE CAPITAL

Particulars	2024	2023
<b>Authorised:</b>		
5,00,00,000 Equity Shares of ₹ 10 each (Previous Year: 5,00,00,000 Equity Shares of ₹ 10 each)	50.00	50.00
<b>Total</b>	<b>50.00</b>	<b>50.00</b>
<b>Issued, Subscribed and Paid Up :</b>		
3,54,54,752 Equity Shares of ₹ 10 each, fully paid-up. (Previous Year : 3,54,54,752 Equity Shares of ₹ 10 each, fully paid-up)	35.45	35.45
<b>Total</b>	<b>35.45</b>	<b>35.45</b>

### A. Reconciliation of number of Ordinary (Equity) Shares and amount outstanding :

Particulars	2024		2023	
	No. of Shares	₹ Crores	No. of Shares	₹ Crores
<b>Issued and Subscribed :</b>				
Balance as at the beginning of the year	3,54,54,752	35.45	3,54,54,752	35.45
Changes in Equity Share Capital during the year	-	-	-	-
<b>Balance as at the end of the year</b>	<b>3,54,54,752</b>	<b>35.45</b>	<b>3,54,54,752</b>	<b>35.45</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## B. Rights, Preferences and Restrictions attached to Equity Shares:

The Company has only one class of equity shares having a par value of ₹ 10 per share. The Equity shares of the company rank pari-passu in all respects including voting rights and entitlement to dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## C. Details of Ordinary (Equity) Shares held by shareholders holding more than 5% of the aggregate shares in the Company :

Name of the Shareholder	2024		2023	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Unnathan Shekhar, Gopalkrishnan Ramakrishnan, Shashikant R. Shanbhag & Late Sandhya Patil# as Partners of M/s Galaxy Chemicals	77,52,850	21.87	77,52,850	21.87
Unnathan Shekhar	42,26,740	11.92	42,26,740	11.92
Late Sandhya Patil#	-	-	41,06,040	11.58
Shashikant R. Shanbhag	40,97,684	11.56	40,97,684	11.56
Gopalkrishnan Ramakrishnan	23,62,783	6.66	23,62,783	6.66
Jayashree Ramakrishnan	18,42,972	5.20	18,42,972	5.20
Siddharth Sudhir Patil#	20,53,020	5.79	-	-
Yash Sudir Patil#	20,53,020	5.79	-	-
Axis Mutual Fund	17,65,760	4.98	27,19,364	7.67
	<b>2,61,54,829</b>	<b>73.77</b>	<b>2,71,08,433</b>	<b>76.46</b>

## D. Details of shares held by promoters and promoters group at the end of the year:

Particulars	2024		2023		% Change during the year
	No. of Shares	% Shareholding	No. of Shares	% Shareholding	
<b>Promoters:</b>					
Unnathan Shekhar	42,26,740	11.92	42,26,740	11.92	-
Late Sandhya Patil#	-	-	41,06,040	11.58	(100.00)
Shashikant R. Shanbhag	40,97,684	11.56	40,97,684	11.56	-
Gopalkrishnan Ramakrishnan	23,62,783	6.66	23,62,783	6.66	-
Siddharth Sudhir Patil#	20,53,020	5.79	-	-	100.00
Yash Sudhir Patil#	20,53,020	5.79	-	-	100.00
<b>Promoters group:</b>					
Galaxy Chemicals, Partner Unnathan Shekhar	19,38,550	5.47	19,38,550	5.47	-
Galaxy Chemicals, Partner Gopalkrishnan Ramakrishnan	19,38,100	5.47	19,38,100	5.47	-
Galaxy Chemicals, Partner Shashikant R. Shanbhag	19,38,100	5.47	19,38,100	5.47	-
Galaxy Chemicals, Partner Late Sandhya Patil#	19,38,100	5.47	19,38,100	5.47	-
Jayashree Ramakrishnan	18,42,972	5.20	18,42,972	5.20	-
Galaxy Emulsifiers Private Limited	5,43,000	1.53	5,43,000	1.53	-
Lakshmy Shekhar	1,27,400	0.36	1,27,400	0.36	-
Sridhar Unnathan	38,120	0.11	42,905	0.12	(11.15)
Anuradha Dayanand Prabhu	12,000	0.03	12,000	0.03	-
K. S. Natarajan	10,574	0.03	7,204	0.02	46.78



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

Particulars	2024		2023		% Change during the year
	No. of Shares	% Shareholding	No. of Shares	% Shareholding	
Vandana Shashikant Shanbhag	10,000	0.03	10,000	0.03	-
Gajanan Nilkant Sinai Amonkar	6,000	0.02	6,000	0.02	-
Saraswathy	-	-	3,370	0.01	(100.00)
Vanita Hiren Kerkar	3,000	0.01	3,000	0.01	-
Sumathi Gopal	3,000	0.01	3,000	0.01	-
Shreekant Shanbhag	20	0.00	20	0.00	-
Lata Nayak	10	0.00	10	0.00	-
	<b>2,51,42,193</b>	<b>70.91</b>	<b>2,51,46,978</b>	<b>70.93</b>	<b>(0.02)</b>

# Mrs. Sandhya Patil expired on 25<sup>th</sup> April, 2019. The shares in her individual capacity have been transmitted to her legal heirs viz. Mr. Siddharth Sudhir Patil and Mr. Yash Sudhir Patil and shown under the category of promoter. The shares registered in her name as a partner of Galaxy Chemicals are in the process of transmission to legal heirs.

As per the records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding the beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

## 15 OTHER EQUITY

Particulars	₹ Crores	
	2024	2023
Securities Premium Reserve	0.20	0.20
General Reserve	26.38	26.38
Retained Earnings	1,343.49	1,161.92
<b>Total</b>	<b>1,370.07</b>	<b>1,188.50</b>

### Description of the nature and purpose of reserves in statement of changes in equity

**Securities Premium:** This reserve represents the premium on issue of equity shares received and can be utilised in accordance with the provisions of the Companies Act, 2013.

**General Reserve:** This reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.

**Retained Earnings:** This reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

## 16 NON-CURRENT BORROWINGS

Particulars	₹ Crores	
	2024	2023
<b>Carried at amortised cost :</b>		
<b>Secured :</b>		
Term Loan From Banks (Refer Note 16.1 and 16.2)	45.68	79.93
<b>Total</b>	<b>45.68</b>	<b>79.93</b>

**Current maturities in respect of long term borrowings that have been included in Note 22 are as under :**

Particulars	₹ Crores	
	2024	2023
Term Loan From Banks	34.29	22.86
<b>Total</b>	<b>34.29</b>	<b>22.86</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

Notes :

16.1 Term loans from banks are secured by first pari passu charge created by mortgage of immovable properties located at Taloja and specified properties located at Tarapur and movable fixed assets at these locations.

16.2 The borrowings carry varying rates of interest upto 8.64% p.a. (2022-23: upto 8.90% p.a.) and have maturities starting from 2025 and ending with 2027.

## 17 LEASE LIABILITIES

Particulars	₹ Crores			
	2024		2023	
	Current	Non-Current	Current	Non-Current
Lease Liabilities (Refer Note 17.1)	3.68	8.42	4.25	4.14
<b>Total</b>	<b>3.68</b>	<b>8.42</b>	<b>4.25</b>	<b>4.14</b>

Notes :

17.1 The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

17.2 The following is the movement in lease liabilities during the year :

Particulars	₹ Crores	
	2024	2023
<b>Opening Balance</b>	<b>8.39</b>	<b>7.84</b>
Add : Additions (Refer Note 3.2)	8.46	7.06
Add : Finance cost accrued during the period	0.64	0.48
Less : Deletions	-	(3.01)
Less : Payment of lease liabilities	(5.39)	(3.98)
<b>Closing Balance</b>	<b>12.10</b>	<b>8.39</b>

## 18 OTHER FINANCIAL LIABILITIES

Particulars	₹ Crores			
	2024		2023	
	Current	Non-Current	Current	Non-Current
<b>Carried at amortised cost:</b>				
Interest accrued on borrowings	0.30	-	0.52	-
Unclaimed dividends (Refer Note 18.1)	0.83	-	0.93	-
Unclaimed matured deposits and interest accrued thereon	-	-	-	-
Security Deposits	3.50	0.32	3.00	0.33
Other liabilities (Refer Note 18.2)	7.45	-	1.99	-
	<b>12.08</b>	<b>0.32</b>	<b>6.44</b>	<b>0.33</b>
<b>Derivatives financial instruments not designated as hedging instruments carried at fair value through Profit &amp; Loss</b>				
Derivative financial instruments	0.40	-	-	-
	<b>0.40</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>12.48</b>	<b>0.32</b>	<b>6.44</b>	<b>0.33</b>

Notes :

18.1 There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

18.2 Other liabilities mainly include creditors for capital goods, etc.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 19 PROVISIONS

Particulars	₹ Crores			
	2024		2023	
	Current	Non-Current	Current	Non-Current
<b>Provision for Employee Benefits</b>				
Compensated absences	1.23	7.73	1.39	6.02
Gratuity	3.68	-	4.20	0.05
<b>Total</b>	<b>4.91</b>	<b>7.73</b>	<b>5.59</b>	<b>6.07</b>

## 20 DEFERRED TAX LIABILITIES (NET)

Particulars	₹ Crores	
	2024	2023
Deferred Tax Liabilities (Refer Note 20.1)	35.33	30.60
<b>Total</b>	<b>35.33</b>	<b>30.60</b>

Note:

20.1 Movement in Deferred Tax Liabilities:

Particulars	₹ Crores			
	On Fiscal allowances on fixed assets	On Provision for employee benefits	On Others	Total
<b>Deferred tax liabilities/ (assets) as at 1<sup>st</sup> April, 2022</b>	<b>29.28</b>	<b>(3.14)</b>	<b>2.91</b>	<b>29.05</b>
Charge/ (credit) to Statement of Profit and Loss	4.30	0.35	(3.06)	1.59
Charge/ (credit) to OCI	-	(0.04)	-	(0.04)
<b>Deferred tax liabilities/ (assets) as at 31<sup>st</sup> March, 2023</b>	<b>33.58</b>	<b>(2.83)</b>	<b>(0.15)</b>	<b>30.60</b>
Charge/ (credit) to Statement of Profit and Loss	2.69	1.30	2.29	6.28
Charge/ (credit) to OCI	-	(1.55)	-	(1.55)
<b>Deferred tax liabilities/ (assets) as at 31<sup>st</sup> March, 2024</b>	<b>36.27</b>	<b>(3.08)</b>	<b>2.14</b>	<b>35.33</b>

## 21 OTHER LIABILITIES

Particulars	₹ Crores			
	2024		2023	
	Current	Non-Current	Current	Non-Current
Advances received from customers	6.98	-	7.76	-
Deferred revenue income under EPCG scheme	0.12	1.62	0.10	0.99
Others (Refer Note 21.1)	17.79	-	10.65	-
<b>Total</b>	<b>24.89</b>	<b>1.62</b>	<b>18.51</b>	<b>0.99</b>

Note :

21.1 Others mainly include government dues and taxes payable, salary deductions payable, etc.

## 22 CURRENT BORROWINGS

Particulars	₹ Crores	
	2024	2023
<b>Secured (Carried at amortised cost) :</b>		
Packing credit loan from banks (Refer Note 22.1)	40.99	80.43
Current maturities of long-term debt (Refer Note 16.1 & 16.2)	34.29	22.86
<b>Total</b>	<b>75.28</b>	<b>103.29</b>

Notes :

22.1 Packing credit loan from banks are secured by first pari passu charge created by hypothecation of current assets, both present & future.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 23 TRADE PAYABLES

Particulars	₹ Crores	
	2024	2023
<b>Carried at amortised cost:</b>		
Trade payable - Micro and Small Enterprises (Refer Note 23.1)	11.75	10.75
Trade payable - Other than Micro and Small Enterprises (Refer Note 23.2)	352.60	362.65
<b>Total</b>	<b>364.35</b>	<b>373.40</b>

Notes :

23.1 The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. No interest in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 or otherwise has either been paid or payable or accrued and remaining unpaid as at 31<sup>st</sup> March 2024.

23.2 Trade payable - Other than Micro and Small enterprises includes payable to subsidiary company ₹ 4.72 Crores (2022-23 : ₹ 3.56 Crores). (Refer Note 43)

23.3 Trade payables Ageing Schedule:

### As at 31st March, 2024

Particulars	₹ Crores					Total
	Current but not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues of Micro Enterprises and Small Enterprises	11.13	0.62	-	-	-	11.75
Undisputed outstanding dues of creditors other than Micro Enterprises and Small Enterprises	329.40	22.64	0.24	0.29	0.03	352.60
<b>Total</b>	<b>340.53</b>	<b>23.26</b>	<b>0.24</b>	<b>0.29</b>	<b>0.03</b>	<b>364.35</b>

### As at 31st March, 2023

Particulars	₹ Crores					Total
	Current but not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues of Micro Enterprises and Small Enterprises	9.69	1.06	-	-	-	10.75
Undisputed outstanding dues of creditors other than Micro Enterprises and Small Enterprises	354.32	7.85	0.45	0.03	-*	362.65
<b>Total</b>	<b>364.01</b>	<b>8.91</b>	<b>0.45</b>	<b>0.03</b>	<b>-*</b>	<b>373.40</b>

\* Figures less than ₹ 50,000.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 24 REVENUE FROM OPERATIONS

Particulars	₹ Crores	
	2023-24	2022-23
<b>Revenue from contracts with customers</b>		
Sale of products (Refer Note 24.2)	2,730.64	3,164.64
<b>Other operating revenue</b>		
Scrap Sales	3.90	3.91
Government Grant and Incentives (including export benefits)	10.70	9.50
<b>Total</b>	<b>2,745.24</b>	<b>3,178.05</b>

Notes :

24.1 Refer note 38 for geography wise revenue from contracts with customers.

24.2 Sale of products includes sale to subsidiary companies ₹ 422.16 Crores (2022-23 : ₹ 533.57 Crores). (Refer Note 43)

## 25 OTHER INCOME

Particulars	₹ Crores	
	2023-24	2022-23
<b>Interest Income</b>		
On Financial Assets at Amortised Cost (Refer Note 25.1)	2.07	2.36
On Non Financial assets	0.22	0.18
<b>Other Non - Operating Income</b>		
Profit / (Loss) on sale/retirement of Property, Plant and Equipment (Net)	(1.31)	(0.90)
Impairment Reversal in Property, Plant and Equipment	1.33	0.22
Liabilities no longer required written back	-*	0.08
Net Foreign exchange gain/(loss)	(0.21)	(3.41)
Commission received (Refer Note 25.2)	0.08	0.17
Others (Refer Note 25.3)	2.18	3.52
<b>Other gains and losses</b>		
Net gain/(loss) arising on financial assets mandatorily measured at Fair Value through Profit & Loss (Preference shares)	19.62	(8.20)
<b>Total</b>	<b>23.98</b>	<b>(5.98)</b>

Notes :

25.1 Includes ₹ Nil (2022-23 : ₹ 1.3 Crores) interest on overdue receivable from subsidiary companies. (Refer Note 43)

25.2 Includes ₹ 0.08 Crores (2022-23 : ₹ 0.17 Crores) guarantee commission received from subsidiary companies. (Refer Note 43)

25.3 Others include insurance claim received, interest subvention, gain on early termination of lease, etc.

\*Figures less than ₹ 50,000.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 26 COST OF MATERIALS CONSUMED

₹ Crores		
Particulars	2023-24	2022-23
Raw materials	1,880.60	2,178.89
Packing materials	87.93	81.71
<b>Total</b>	<b>1,968.53</b>	<b>2,260.60</b>

## 27 PURCHASE OF STOCK-IN-TRADE

₹ Crores		
Particulars	2023-24	2022-23
Purchase of Stock-in-trade	24.36	20.29
<b>Total</b>	<b>24.36</b>	<b>20.29</b>

## 28 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ Crores		
Particulars	2023-24	2022-23
<b>Opening Stock</b>		
Finished goods	110.22	125.22
Work-in-progress	63.55	85.43
Stock-in-trade	5.29	5.71
	<b>179.06</b>	<b>216.36</b>
<b>Less: Closing Stock</b>		
Finished goods	(132.22)	(110.22)
Work-in-progress	(68.26)	(63.55)
Stock-in-trade	(5.35)	(5.29)
	<b>(205.83)</b>	<b>(179.06)</b>
<b>Net (increase) / decrease in inventory</b>	<b>(26.77)</b>	<b>37.30</b>

## 29 EMPLOYEE BENEFIT EXPENSES

₹ Crores		
Particulars	2023-24	2022-23
Salaries and wages, including bonus	131.59	120.58
Contribution to provident and other funds	9.70	8.91
Workmen and staff welfare expenses	13.63	11.09
<b>Total</b>	<b>154.92</b>	<b>140.58</b>

## 30 FINANCE COSTS

₹ Crores		
Particulars	2023-24	2022-23
Interest expenses	9.01	10.20
Other borrowing costs (Refer Note 30.2)	3.31	2.12
<b>Total</b>	<b>12.32</b>	<b>12.32</b>

Notes :

30.1 The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 8.41% (2022-23 : 7.78%).

30.2 Finance Cost during current year includes interest on lease liabilities amounting to ₹ 0.64 Crores (2022-23 : ₹ 0.48 Crores).

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 31 DEPRECIATION, AMORTISATION AND IMPAIRMENT EXPENSES

Particulars	₹ Crores	
	2023-24	2022-23
Depreciation on Property, Plant and Equipment	54.64	45.91
Amortisation of Other Intangible Assets	2.16	2.06
Amortisation of Right of use Asset	5.84	4.52
Impairment of Property, Plant and Equipment (Refer Note 2.5)	-	0.13
<b>Total</b>	<b>62.64</b>	<b>52.62</b>

## 32 OTHER EXPENSES

Particulars	₹ Crores	
	2023-24	2022-23
Power and fuel	63.63	62.72
Water charges	1.43	1.46
Repairs and maintenance	23.18	24.91
Consumption of stores, spares & consumables	20.63	21.41
Rates and taxes	2.89	7.01
Insurance	11.05	10.76
Freight and forwarding	88.80	151.97
Travelling and conveyance	14.42	12.85
Discount and commission on sales	1.59	1.64
Bad Debts and allowance for Doubtful Debts	0.26	0.10
Royalty	0.33	0.14
"REACH" registration expenses (Net)	(0.64)	(0.31)
CSR expenditure (Refer Note 40)	4.90	4.45
Donations	0.08	0.02
Directors' sitting fees	0.68	0.52
Commission to non-executive directors	0.87	0.72
Rent (including storage charges)	7.38	2.76
Legal and professional fees (Refer Note 32.1)	19.91	18.17
Miscellaneous expenses	44.82	39.45
<b>Total</b>	<b>306.21</b>	<b>360.75</b>

Note :

### 32.1 Legal & Professional fees include :

(a) Amounts paid/payable to Statutory Auditors :

Particulars	₹ Crores	
	2023-24	2022-23
Audit fees	0.82	0.82
Certification Charges and Other Services	0.05	0.07
Out of pocket expenses	0.06	0.04
<b>Total</b>	<b>0.93</b>	<b>0.93</b>

(b) Amounts paid/payable to Cost Auditors :

Particulars	₹ Crores	
	2023-24	2022-23
Audit fees	0.05	0.05
<b>Total</b>	<b>0.05</b>	<b>0.05</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 33 INCOME TAX RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS

Particulars	₹ Crores	
	2023-24	2022-23
<b>Current Tax:</b>		
In respect of current year	60.46	72.18
In respect of prior years	(0.07)	(0.17)
	<b>60.39</b>	<b>72.01</b>
<b>Deferred Tax:</b>		
In respect of current year origination and reversal of temporary differences	6.26	1.53
In respect of prior years	0.02	0.06
	<b>6.28</b>	<b>1.59</b>
<b>Total income tax expense</b>	<b>66.67</b>	<b>73.60</b>

## 34 INCOME TAX (RECOGNISED)/CREDITED IN OTHER COMPREHENSIVE INCOME

Particulars	₹ Crores	
	2023-24	2022-23
<b>Deferred tax related to items (recognised)/credited in Other Comprehensive Income:</b>		
Remeasurement of defined benefit obligations	1.55	0.04
<b>Total</b>	<b>1.55</b>	<b>0.04</b>
<b>Classification of income tax (recognised)/credited in Other Comprehensive Income:</b>		
Income taxes related to items that will not be reclassified to profit or loss	1.55	0.04
<b>Total</b>	<b>1.55</b>	<b>0.04</b>

## 35 EARNINGS PER SHARE (EPS)

Particulars	2023-24	2022-23
Profit for the year (₹ Crores)	200.34	214.01
Weighted average number of Ordinary (Equity) Shares used in computing basic & diluted EPS	3,54,54,752	3,54,54,752
Basic/Diluted Earnings per share (₹) (Face value of ₹ 10 per share)	56.51	60.36

## 36 THE RECONCILIATION OF ESTIMATED INCOME TAX EXPENSES AT TAX RATE TO INCOME TAX EXPENSES REPORTED IN STATEMENT OF PROFIT AND LOSS IS AS FOLLOWS:

Particulars	₹ Crores	
	2023-24	2022-23
Profit before tax	267.01	287.61
Applicable Income tax rate	25.17%	25.17%
Expected income tax expenses	67.20	72.39
<b>Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses:</b>		
- Effect of expenses/provision not deductible in determining taxable profit	1.25	1.13
- Impact on account of reversal of deferred tax liability created on fair value gain of preference shares (not taxable in current year under Income Tax act)	(1.31)	-
- Impact on account of prior years taxation	(0.05)	(0.11)
- Impact on account of differential Tax Rate on investments	(0.31)	0.15
- Other Differences	(0.11)	0.04
<b>Reported income tax expenses</b>	<b>66.67</b>	<b>73.60</b>



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 37 THE AMOUNT AND EXPIRY DATE OF UNUSED CAPITAL LOSSES FOR WHICH NO DEFERRED TAX ASSET IS RECOGNISED IN THE BALANCE SHEET

Assessment Year	₹ Crores		
	2024	2023	Available Up to A.Y.
2020-21	12.32	12.32	2028-29
2024-25	1.48	-	2032-33

## 38 SEGMENT INFORMATION

The operating segments have been reported in a manner consistent with the internal reporting provided to the Board of Directors, who are the Chief Operating Decision Makers. They are responsible for allocating resources and assessing the performance of operating segments. Accordingly, the reportable segment is only one segment i.e. home and personal care ingredients.

### Revenue from Type of Product and Services

There is only one operating segment of the Company which is based on nature of product. Hence the revenue from external customers shown under geographical information is representative of revenue based on product and services.

### Geographical Information

Particulars	₹ Crores					
	2024			2023		
	India	Overseas	Total	India	Overseas	Total
Revenue From External Customers	1,524.86	1,205.78	<b>2,730.64</b>	1,731.26	1,433.38	<b>3,164.64</b>
Non Current Assets*	841.58	-	<b>841.58</b>	747.51	-	<b>747.51</b>

\* includes property plant and equipment, right of use asset, other intangible assets, capital work-in-progress, income tax assets (net) and other non-current assets.

### Information about major customers

During the year ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 respectively, Revenue from transaction with a single external customer did not amount to 10% or more of the company's revenue from external customers.

## 39 DETAILS OF RESEARCH & DEVELOPMENT

Research and Development expenses for the year amount to ₹ 13.70 Crores (2022-23 : ₹ 12.70 Crores) debited to the Statement of Profit and Loss.

## 40 DETAILS OF CSR EXPENDITURE

As per Section 135 of the Companies Act, 2013, a company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The area for CSR activities are promoting healthcare including preventive healthcare; Promoting education, including special education and employment enhancing vocational skills among children, women, elderly, and the differently abled and livelihood enhancement projects; Rural development projects; Ensuring environmental sustainability, ecological balance, protection of flora and fauna, agroforestry, conservation of natural resources and maintaining quality of soil, air and water; Animal welfare; Empowering women.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

A CSR committee has been formed by the company as per the Act.

Particulars	₹ Crores	
	2023-24	2022-23
(a) Amount required to be spent by the company during the year	4.86	4.43
(b) Amount of expenditure incurred		
i) Construction/ acquisition of any asset	-	-
ii) For purposes other than (i) above	4.90	4.45
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	N.A.	N.A.
(f) Nature of CSR activities	Promoting healthcare including preventive healthcare; Promoting education, including special education and employment enhancing vocational skills among children, women, elderly, and the differently abled and livelihood enhancement projects; Rural development projects; Ensuring environmental sustainability, ecological balance, protection of flora and fauna, agroforestry, Conservation of natural resources and maintaining quality of soil, air and water; Animal welfare; Empowering women.	
(g) Provision movement during the year :		
<b>Opening Provision</b>	<b>0.18</b>	<b>0.09</b>
Add : Addition during the year	0.17	0.16
Less : Utilised during the year	(0.18)	(0.07)
<b>Closing Provision</b>	<b>0.17</b>	<b>0.18</b>

Notes :

- 40.1 There are no related party transactions in relation to Corporate Social Responsibility in the current and previous year.
- 40.2 There is no unspent amount to be deposited in specified fund of Schedule VII under section 135(5) of the Companies Act, 2013 in both the years.
- 40.3 The Company does not wish to carry forward any excess amount spent during the year.

## 41 CONTINGENT LIABILITY AND COMMITMENTS

### (A) Contingent liability

Particulars	₹ Crores	
	2024	2023
(a) Corporate guarantees given to bank in connection with borrowings by subsidiary company	3.71	18.26
(b) Claims against the Company not acknowledged as debts comprise of claims disputed by the Company relating to issues of applicability, classification, deductibility, etc. (Refer Note below)		
- Excise duty & Service tax	7.27	7.27
- Income tax	1.41	0.97
- Sales tax & GST	3.46	3.77
- Custom duty	62.65	42.11

Note :

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

### (B) Commitments

Estimated amount of contracts remaining to be executed of Property, Plant & Equipment (net of advances) and not provided for ₹ 66.18 Crores ( 2022-2023 : ₹ 57.18 Crores).

Estimated amount of contracts remaining to be executed of Other Intangible assets (net of advances) and not provided for ₹ 0.20 Crores ( 2022-2023 : ₹ 0.75 Crores).

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 42 DISCLOSURE PURSUANT TO SECTION 186 (4) OF THE COMPANIES ACT, 2013

### (a) Investments made

The same are classified under respective heads. Refer Note 6 & Note 11.

### (b) Guarantees/Securities given

The same are classified under respective heads for purposes of guarantees given for loan availments from banks by subsidiaries/associate companies. Refer Note 43.

### (c) Loans given

There are no inter corporate loans given.

## 43 RELATED PARTY DISCLOSURES :

### (a) Subsidiaries

Sr. No.	Name of the Company	Sr. No.	Name of the Company
1	Galaxy Chemicals Inc.	4	Rainbow Holdings GmbH
2	Galaxy Holdings (Mauritius) Limited	5	Tri-K Industries Inc.
3	Galaxy Chemicals (Egypt) S.A.E.		

### (b) Key Management Personnel (KMP)

Sr. No.	Name of the Person	Relation	Relative Name
1	Mr. U. Shekhar Non-Executive Director w.e.f. 18 <sup>th</sup> February, 2024 Managing Director till 17 <sup>th</sup> February, 2024	Wife	Mrs. Lakshmy Shekhar
		Son	Mr. Karthik Shekhar
		Daughter	Ms. Nandini Shekhar
		Brother	Mr. Shridhar Unnathan
2	Mr. K. Natarajan Managing Director w.e.f. 18 <sup>th</sup> February, 2024 Executive Director & Chief Operating Officer till 17 <sup>th</sup> February, 2024	Wife	Mrs. Parvathy Natarajan
		Daughter	Ms. Pavithra Natarajan
		Daughter	Ms. Namrata Natarajan
3	Mr. K. Ganesh Kamath (till 6 <sup>th</sup> October, 2022) Executive Director (Finance) & Chief Financial Officer		
4	Mr. Vaijanath Kulkarni Executive Director & Chief Operating Officer	Wife	Mrs. Bhagyashree Vaijanath Kulkarni
		Son	Mr. Shaunak Vaijanath Kulkarni
		Son	Mr. Chinmay Vaijanath Kulkarni
5	Mr. Abhijit Damle (w.e.f. 1 <sup>st</sup> July, 2022) Chief Financial Officer	Wife	Mrs. Shilpa Damle
		Daughter	Ms. Anushka Damle

### (c) Enterprise over which KMP is able to exercise significant influence

Sr. No.	Name of the Company	Sr. No.	Name of the Company
1	Galaxy Emulsifiers Private Limited	5	Galaxy Estates & Holdings [Partnership Firm]
2	Galaxy Finsec Private Limited	6	Galaxy Investments [Partnership Firm]
3	Osmania Traders Private Limited	7	Shubh Estates & Properties [Partnership Firm]
4	Galaxy Chemicals [Partnership Firm]		

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## (d) The related party transactions are as under

₹ Crores

Sr. No.	Nature of Transactions	Subsidiary Company		Entities where Key Management Personnel can exercise significant influence		Key Management Personnel		Relatives of Key Management Personnel	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>1</b>	<b>PURCHASES :</b>								
	<b>Goods</b>								
	Galaxy Chemicals (Egypt) S.A.E.	12.53	11.62	-	-	-	-	-	-
	TRI-K Industries Inc.	5.40	4.67	-	-	-	-	-	-
<b>2</b>	<b>SALES :</b>								
	<b>Goods</b>								
	Galaxy Chemicals (Egypt) S.A.E.	240.86	278.05	-	-	-	-	-	-
	TRI-K Industries Inc.	181.30	255.52	-	-	-	-	-	-
<b>3</b>	<b>MANAGERIAL REMUNERATION : (Refer Note 43.1 &amp; 43.2)</b>								
	U. Shekhar (till 17 <sup>th</sup> February, 2024)								
	Short-term employee benefits	-	-	-	-	2.75	2.00	-	-
	Other Long-term employee benefits	-	-	-	-	0.17	-	-	-
	Post-employment employee benefits	-	-	-	-	2.03	-	-	-
	K. Natarajan								
	Short-term employee benefits	-	-	-	-	2.98	2.00	-	-
	K. Ganesh Kamath (till 6 <sup>th</sup> October, 2022)								
	Short-term employee benefits	-	-	-	-	0.48	1.16	-	-
	Other Long-term employee benefits	-	-	-	-	-	0.21	-	-
	Post-employment employee benefits	-	-	-	-	-	0.91	-	-
	Vaijanath Kulkarni								
	Short-term employee benefits	-	-	-	-	2.93	1.96	-	-
	Abhijit Damle (w.e.f. 1 <sup>st</sup> July, 2022)								
	Short-term employee benefits	-	-	-	-	1.05	0.63	-	-
<b>4</b>	<b>FINANCE :</b>								
	<b>Interest Income</b>								
	Galaxy Chemicals (Egypt) S.A.E.	-	1.02	-	-	-	-	-	-
	TRI-K Industries Inc.	-	0.28	-	-	-	-	-	-
<b>5</b>	<b>DIVIDENDS DISTRIBUTED :</b>								
	Galaxy Chemicals	-	-	3.10	27.91	-	-	-	-
	Galaxy Emulsifiers Pvt. Ltd.	-	-	0.22	1.95	-	-	-	-
	U. Shekhar (till 17 <sup>th</sup> February, 2024)	-	-	-	-	1.69	15.22	-	-
	K. Natarajan	-	-	-	-	*	0.03	-	-
	K. Ganesh Kamath (till 6 <sup>th</sup> October, 2022)	-	-	-	-	-	0.04	-	-
	Vaijanath Kulkarni	-	-	-	-	0.01	0.09	-	-
	Abhijit Damle (w.e.f. 1 <sup>st</sup> July, 2022)	-	-	-	-	*	*	-	-
	Lakshmy Shekhar	-	-	-	-	-	-	0.05	0.46
	Shridhar Unnathan	-	-	-	-	-	-	0.02	0.16
<b>6</b>	<b>OTHER TRANSACTIONS :</b>								
	<b>Other Income</b>								
	Galaxy Chemicals (Egypt) S.A.E.	0.08	0.17	-	-	-	-	-	-
	TRI-K Industries Inc.	0.40	0.40	-	-	-	-	-	-

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

₹ Crores

Sr. No.	Nature of Transactions	Subsidiary Company	Entities where Key Management Personnel can exercise significant influence		Key Management Personnel		Relatives of Key Management Personnel	
			2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
	<b>Other Expenses</b>							
	Galaxy Chemicals (Egypt) S.A.E.	0.05	0.06	-	-	-	-	-
	TRI-K Industries Inc.	0.22	0.03	-	-	-	-	-
	<b>Reimbursements received/ Receivable from parties</b>							
	Galaxy Chemicals (Egypt) S.A.E.	0.74	0.76	-	-	-	-	-
	TRI-K Industries Inc.	0.54	0.48	-	-	-	-	-
<b>7</b>	<b>OUTSTANDING :</b>							
	<b>Payables</b>							
	Galaxy Chemicals (Egypt) S.A.E.	3.55	2.27	-	-	-	-	-
	TRI-K Industries Inc.	1.17	1.29	-	-	-	-	-
	<b>Receivables</b>							
	Galaxy Chemicals (Egypt) S.A.E.	20.90	51.10	-	-	-	-	-
	TRI-K Industries Inc.	22.84	6.79	-	-	-	-	-
	<b>Investments</b>							
	Galaxy Chemicals Inc. (Equity Share)	0.15	0.15	-	-	-	-	-
	Galaxy Holdings (Mauritius) Ltd (Equity Share)	2.37	2.37	-	-	-	-	-
	Galaxy Holdings (Mauritius) Ltd (Preference Share at Fair value)	193.13	197.44	-	-	-	-	-
	<b>Loans and Advances</b>							
	Galaxy Chemicals (Egypt) S.A.E.	0.66	0.90	-	-	-	-	-
	TRI-K Industries Inc.	0.78	0.72	-	-	-	-	-
<b>8</b>	<b>GUARANTEES GIVEN ON BEHALF OF SUBSIDIARIES:</b>							
	Galaxy Chemicals (Egypt) S.A.E.	3.71	18.26	-	-	-	-	-

All Related Party Transactions entered during the year were in ordinary course of the business.

Note :

43.1 As the liabilities for defined benefit plans are provided on the basis of report of actuary for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

43.2 Includes commission on the basis of payments made during the year.

\*Figures less than ₹ 50,000.

## 44 EMPLOYEE BENEFITS

### a. Defined contribution plan

The Company makes contributions towards Provident Fund, Employee's State Insurance Corporation (ESIC) for qualifying employees. The Company has recognised ₹ 7.35 Crores (2022-23 - ₹ 6.62 Crores) for the year being Company's contribution to Provident Fund and ESIC, as an expense and included in Employee Benefit Expenses in the Statement of Profit and Loss.

### b. Defined benefit plan

#### Gratuity plan

Gratuity is payable to all eligible employees of the Company on separation from the service, in terms of the provisions of the "Gratuity Act, 1972" and employment contracts entered into by the Company. Under the gratuity plan, every employee who

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

has completed at least 5 years of service gets a gratuity at 15 days of last drawn salary for each completed year of service. The Company makes an annual contribution to the group gratuity scheme administered by the insurance companies.

Through its gratuity plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

## Interest risk

A decrease in the bond interest rate will increase the plan liability and will decrease the return on the plan's assets.

## Salary risk

The present value of the Gratuity liability is calculated by reference to the estimated future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

## Investment risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

## Gratuity as per actuarial valuation

Particulars	₹ Crores	
	As at 31 <sup>st</sup> March	
	Funded Plan Gratuity	
	2024	2023
<b>I Expense recognised in the Statement of Profit and Loss for the year</b>		
1 Current service cost	2.04	1.88
2 Interest cost on benefit obligation (net)	0.32	0.41
3 Net value of remeasurements on the obligation and plan assets	-	-
4 Past service cost and loss/(gain) on curtailments and settlement	-	-
5 Total expenses included in employee benefits expenses	<b>2.36</b>	<b>2.29</b>
<b>II Recognised in other comprehensive income for the year</b>		
1 Actuarial (gains)/ losses arising from changes in financial assumption	5.39	(0.64)
2 Actuarial (gains)/ losses arising from changes in experience adjustment	1.25	0.87
3 Actuarial (gains)/ losses arising from changes in demographic adjustment	-	(0.02)
4 Return on plan asset	(0.50)	(0.06)
5 Recognised in other comprehensive income	<b>6.14</b>	<b>0.15</b>
<b>III Change in the present value of defined benefit obligation</b>		
1 Present value of defined benefit obligation at the beginning of the year	30.35	29.20
2 Current service cost	2.04	1.88
3 Interest cost/(income)	2.28	2.11
4 Remeasurements (gains)/ losses		
(I) Actuarial (gains)/ losses arising from changes in demographic assumption	-	(0.02)
(II) Actuarial (gains)/ losses arising from changes in financial assumption	5.39	(0.64)
(III) Actuarial (gains)/ losses arising from changes in experience adjustment	1.25	0.87
5 Past Service cost	-	-
6 Benefits paid#	(3.97)	(3.05)
7 Liabilities assumed/(settled)	-	-
8 Present value of defined benefit obligation at the end of the year	<b>37.34</b>	<b>30.35</b>
<b>IV Change in fair value of plan assets during the year</b>		
1 Fair value of plan assets at the beginning of the year	26.10	23.55
2 Interest income	1.96	1.70
3 Contribution by employer	7.04	3.84
4 Benefits paid	(1.94)	(3.05)
5 Remeasurements (gains)/ losses		
(I) Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
(II) Actuarial (gains)/ losses arising from changes in financial assumption	-	-
(III) Actuarial (gains)/ losses arising from changes in experience adjustment	-	-

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

		₹ Crores	
Particulars	As at 31 <sup>st</sup> March		
	Funded Plan Gratuity		
	2024	2023	
6	Return on plan assets excluding interest income	0.50	0.06
7	Fair value of plan assets at the closing of the year	<b>33.66</b>	<b>26.10</b>
<b>V</b>	<b>Net Asset/(Liability) recognised in the Balance Sheet as at</b>		
1	Present value of defined benefit obligation as at 31 <sup>st</sup> March	37.34	30.35
2	Fair value of plan assets as at 31 <sup>st</sup> March	33.66	26.10
3	Surplus/(Deficit)	(3.68)	(4.25)
4	Current portion of the above	3.68	4.20
5	Non current portion of the above	-	0.05
<b>VI</b>	<b>Actuarial assumptions</b>		
1	Discount rate	7.23%	7.50%
2	Attrition rate	Between 11.5% to 3.8% based on service of employee	Between 12% to 4% based on service of employee
3	Average salary escalation rate	9.00%	7.50%
4	Mortality table used	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
<b>VII</b>	<b>Major Category of Plan Assets as a % of the Total Plan Assets</b>		
1	Insurer managed funds*	100%	100%
*In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.			
<b>VIII</b>	<b>The expected contributions to the plan for the next annual reporting period</b>	3.68	4.20
<b>IX</b>	<b>Quantitative sensitivity analysis for significant assumption is as below</b>		
The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Gratuity obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Gratuity Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.			
1.	Discount rate varied by +1%	34.11	28.19
2.	Discount rate varied by -1%	41.12	32.86
3.	Salary growth rate varied by +1%	41.02	32.84
4.	Salary growth rate varied by -1%	34.13	28.17
5.	Withdrawal rate (W.R.) varied by + 1%	36.83	30.33
6.	Withdrawal rate (W.R.) varied by - 1%	37.90	30.38
<b>X</b>	<b>Maturity profile of defined benefit obligation</b>		
1.	Year 1	2.46	2.66
2.	Year 2	2.36	3.39
3.	Year 3	2.63	3.90
4.	Year 4	2.10	2.15
5.	Year 5	3.30	1.79
6.	Years 6-10	15.66	11.75
7.	11 Years and above	61.39	40.28

The current service cost and net interest cost for the year pertaining to Gratuity expenses have been recognised in "Contribution to Provident and other funds" in the statement of Profit and loss (Refer Note 29). The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

# Includes benefits of ₹ 2.03 Crores (2022-23 ₹ Nil Crores) paid by the Company.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 45 CAPITAL MANAGEMENT

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, customer, creditors and market confidence.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Particulars	₹ Crores	
	2024	2023
Short term debt	40.99	80.43
Long term debt	79.97	102.79
<b>Total</b>	<b>120.96</b>	<b>183.22</b>
Equity	1,405.52	1,223.95
Long term debt to equity	0.06	0.08
Total debt to equity	0.09	0.15

## 46 CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	₹ Crores	
	2024	2023
<b>A) Financial Assets</b>		
<b>a) Measured at amortised cost</b>		
i) Cash and Cash Equivalents	21.90	21.69
ii) Bank Balances other than Cash and Cash Equivalents	18.83	15.57
iii) Investment in Equity Shares	2.52	2.52
iv) Loans	1.95	1.23
v) Trade Receivables	454.81	457.80
vi) Other Financial Assets	22.51	19.01
<b>Sub-Total</b>	<b>522.52</b>	<b>517.82</b>
<b>b) Measured at Fair value through Profit and Loss</b>		
i) Investment in Preference Shares	193.13	197.44
ii) Investment in Debt Mutual Fund	24.05	-
<b>Sub-Total</b>	<b>217.18</b>	<b>197.44</b>
<b>c) Derivatives measured at fair value through Profit and Loss</b>		
i) Derivative instruments not designated as hedging instruments	-	0.09
<b>Sub-Total</b>	<b>-</b>	<b>0.09</b>
<b>Total Financial Assets</b>	<b>739.70</b>	<b>715.35</b>
<b>B) Financial Liabilities</b>		
<b>a) Measured at amortised cost</b>		
i) Non-current Borrowings	45.68	79.93
ii) Current Borrowings	75.28	103.29
iii) Lease Liabilities	12.10	8.39
iv) Trade Payables	364.35	373.40
v) Other Financial Liabilities	12.40	6.77
<b>Sub-Total</b>	<b>509.81</b>	<b>571.78</b>
<b>b) Derivatives instruments measured at fair value through Profit &amp; Loss</b>		
i) Derivative instruments not designated as hedging instruments	0.40	-
<b>Sub-Total</b>	<b>0.40</b>	<b>-</b>
<b>Total Financial liabilities</b>	<b>510.21</b>	<b>571.78</b>



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 47 FINANCIAL RISK MANAGEMENT FRAMEWORK

The company has formulated and implemented a policy on risk management, as approved by the Board, so as to develop an approach to identify, assess and manage the various risks associated with our business activities in a systematic manner. The policy lays down guiding principles on proactive planning for identifying, analysing and mitigating material risks, both external and internal, and covering operational, financial and strategic risks. After risks have been identified, risk mitigation solutions are determined to bring risk exposure levels in line with risk appetite. The Company's risk management policies and systems are reviewed regularly to reflect changes in market conditions and our business activities. The Company's business activities are exposed to a variety of financial risks, namely Credit risk, Liquidity risk, Currency risk, Interest rate risk and Commodity price risk.

### A) Market Risk

The Company's size and operations result in it being exposed to the market risks that arise from its use of financial instruments namely Currency risk, Interest risks and Commodity price risk. These risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below.

#### a) Interest Rate Risk

Interest rate risk results from changes in prevailing market interest rates, which can cause changes in the interest payments of the variable-rate instruments. Our operations are funded to a certain extent by borrowings. Our current loan facilities carry interest at variable rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive cost of funding.

#### b) Commodity Risk

The company is exposed to the price risk associated with purchasing of the raw materials. The company typically do not enter into formal long term arrangements with our vendors. Therefore, fluctuations in the price and availability of raw materials may affect the Company's business and results of operations. Management reviews the commodity price risk regularly to avoid material impact on profitability of the company. There are no direct commodity derivatives available to hedge the price risk associated with the major raw material.

#### c) Currency Risk

The Company is exposed to exchange rate risk as a significant portion of our revenues and expenditure are denominated in foreign currencies. We import certain of our raw materials, the price of which we are required to pay in foreign currency, which is mostly the U.S. Dollar or Euro. Products that we export are paid for in foreign currency, which together acts as a natural hedge. Any appreciation/depreciation in the value of the Rupee against U.S. dollar, Euro or other foreign currencies would Increase/decrease the Rupee value of debtors/ creditors. To a certain extent, the company uses foreign exchange forward contracts to minimise the risk.

**The carrying amount of the company's foreign currency exposure at the end of the reporting periods are as follows**

Particulars	In Crores					
	US Dollar	Indian ₹	Euro	Indian ₹	Others (₹)	Total (₹)
<b>As at 31<sup>st</sup> March, 2024</b>						
Borrowings	(0.03)	(2.50)	(0.06)	(5.49)	-	<b>(7.99)</b>
Trade Receivables & Other Financial Assets	2.26	188.08	0.17	14.94	-	<b>203.02</b>
Trade Payables & Other Financial Liabilities	(2.38)	(198.16)	-*	(0.17)	(0.10)	<b>(198.43)</b>
<b>Total</b>	<b>(0.15)</b>	<b>(12.58)</b>	<b>0.11</b>	<b>9.28</b>	<b>(0.10)</b>	<b>(3.40)</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

Particulars	In Crores					
	US Dollar	Indian ₹	Euro	Indian ₹	Others (₹)	Total (₹)
<b>As at 31<sup>st</sup> March, 2023</b>						
Borrowings	(0.20)	(16.53)	(0.16)	(14.06)	-	<b>(30.59)</b>
Trade Receivables & Other Financial Assets	2.31	189.77	0.15	13.67	0.02	<b>203.46</b>
Trade Payables & Other Financial Liabilities	(2.72)	(223.45)	-*	(0.27)	-	<b>(223.72)</b>
<b>Total</b>	<b>(0.61)</b>	<b>(50.21)</b>	<b>(0.01)</b>	<b>(0.66)</b>	<b>0.02</b>	<b>(50.85)</b>

\*Figures less than 50,000

Of the above foreign currency exposures, the unhedged exposures as at the end of the reporting periods are as follows

Particulars	In Crores					
	US Dollar	Indian ₹	Euro	Indian ₹	Others (₹)	Total (₹)
<b>As at 31<sup>st</sup> March, 2024</b>						
Borrowings	(0.03)	(2.50)	(0.06)	(5.49)	-	<b>(7.99)</b>
Trade Receivables & Other Financial Assets	0.81	67.57	0.02	2.20	-	<b>69.77</b>
Trade Payables & Other Financial Liabilities	(2.38)	(198.16)	-*	(0.17)	(0.10)	<b>(198.43)</b>
<b>Total</b>	<b>(1.60)</b>	<b>(133.09)</b>	<b>(0.04)</b>	<b>(3.46)</b>	<b>(0.10)</b>	<b>(136.65)</b>
<b>As at 31<sup>st</sup> March, 2023</b>						
Borrowings	(0.20)	(16.53)	(0.16)	(14.06)	-	<b>(30.59)</b>
Trade Receivables & Other Financial Assets	2.07	170.35	0.02	1.60	0.02	<b>171.97</b>
Trade Payables & Other Financial Liabilities	(2.49)	(204.96)	-*	(0.27)	-	<b>(205.23)</b>
<b>Total</b>	<b>(0.62)</b>	<b>(51.14)</b>	<b>(0.14)</b>	<b>(12.73)</b>	<b>0.02</b>	<b>(63.85)</b>

\*Figures less than 50,000

## B) Credit Risk Management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. The Company's customer base majorly has creditworthy counterparties which limits the credit risk. The company's exposures are continuously monitored and wherever necessary we take advances/LC's to minimise the risk.

### a) Trade Receivables and Advances

The Company applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables/Advances. The company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses. Based on such information the company has evaluated that there is no provision required under expected credit loss model.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

Further, the company reviews on a periodic basis all receivables/advances having commercial/legal issues which require resolution against which specific provisions are made when found necessary.

## Reconciliation of expected credit loss allowance for Trade Receivables

Particulars	Year Ended 31 <sup>st</sup> March	
	2024	2023
Balance as at beginning of the year	0.07	0.16
Additions during the year	0.04	0.05
Amounts reversed/written off during the year	(0.07)	(0.14)
<b>Balance at end of the year</b>	<b>0.04</b>	<b>0.07</b>

## b) Other Financial Assets

In respect of other financial assets, the maximum exposure to credit risk at the end of the reporting period approximates the carrying amount of each class of financial assets.

## c) LIQUIDITY RISK

### Liquidity risk management

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure that we have sufficient liquidity or access to funds to meet our liabilities when they are due.

### Maturity profile of financial liabilities

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Particulars	Carrying amount in Balance sheet	Less than 1 Year	2 <sup>nd</sup> and 3 <sup>rd</sup> Year	4 <sup>th</sup> and 5 <sup>th</sup> Year	Above 5 years
<b>As at 31<sup>st</sup> March, 2024</b>					
Short Term Borrowings	40.99	40.99	-	-	-
Long Term Borrowings	79.97	34.29	39.97	5.71	-
Lease Liabilities	12.10	3.68	4.87	3.55	-
Trade Payables	364.35	364.35	-	-	-
Other Financial Liabilities	12.80	12.48	-	-	0.32
<b>Total</b>	<b>510.21</b>	<b>455.79</b>	<b>44.84</b>	<b>9.26</b>	<b>0.32</b>
<b>As at 31<sup>st</sup> March, 2023</b>					
Short Term Borrowings	80.43	80.43	-	-	-
Long Term Borrowings	102.79	22.86	57.07	22.86	-
Lease Liabilities	8.39	4.25	3.06	1.08	-
Trade Payables	373.40	373.40	-	-	-
Other Financial Liabilities	6.77	6.44	-	-	0.33
<b>Total</b>	<b>571.78</b>	<b>487.38</b>	<b>60.13</b>	<b>23.94</b>	<b>0.33</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 48 SENSITIVITY ANALYSIS

### (A) Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant.

₹ Crores				
Particulars	Currency	Change in rate	Effect on Profit Before Tax	Effect on pre-tax equity
Year ended 31 <sup>st</sup> March, 2024	USD	+1%	(1.33)	-
	EUR	+1%	(0.03)	-
Year ended 31 <sup>st</sup> March, 2023	USD	+1%	(0.51)	-
	EUR	+1%	(0.13)	-

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity.

The sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

### (B) Interest Rate sensitivity

The sensitivity analysis below have been determined based on exposure to interest rate for both long term & short term borrowings. The following table demonstrates the sensitivity in interest rates on that portion of loans and borrowings which are not hedged, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ Crores				
Particulars	Currency	Increase in basis points	Effect on profit before tax	Effect on pre-tax equity
Year ended 31 <sup>st</sup> March, 2024	INR	+25 bps	(0.32)	-
Year ended 31 <sup>st</sup> March, 2023	INR	+25 bps	(0.52)	-

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity.

## 49 OFFSETTING OF BALANCES

The Company has not offset financial assets and financial liabilities.

## 50 COLLATERALS

The Company has borrowings which are secured by hypothecation of current assets, mortgage of immovable properties located at Taloja and specified properties located at Tarapur and movable fixed assets at these locations.

## 51 FAIR VALUE DISCLOSURES

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market or Net Asset Value ("NAV") for identical assets or liabilities.

Level 2: Inputs other than quoted price 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).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

The fair value of the unquoted preference shares has been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted preference share investments. The Company engages external, independent and qualified valuers to determine the fair value of the preference shares investment.

There were no transfers between Level 1, Level 2 and Level 3 during the year.

₹ Crores

Financial Instruments regularly measured using Fair Value - recurring Items					Applicable for Level 2 and Level 3 hierarchy	For Level 3 hierarchy valuation			
Particulars	Fair Value		2024	2023	Fair value hierarchy	Valuation technique(s)	Key inputs	Significant unobservable input(s) for level 3 hierarchy	Relationship of unobservable inputs to fair value and sensitivity
	Financial assets/ financial liabilities	Category							
1) Derivatives - foreign exchange forward contracts	Financial Assets	Financial instruments measured at FVTPL	-	0.09	Level 2	Discounted Cash Flow	The fair values of the derivative financial instruments have been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.	-	-
	Financial Liabilities		0.40	-					
2) Investment in Mutual Fund -Unquoted	Financial Assets	Financial instruments measured at FVTPL	24.05	-	Level 1	Net Asset Value ("NAV") as stated by the issuer	-	-	-
3) Investment in Preference shares-unquoted	Financial Assets	Financial instruments mandatorily required to be measured at FVTPL	193.13	197.44	Level 3	Discounted Cash Flow	Future cashflow at a discount rate derived by considering 3 factors i.e. yield to maturity, hedging cost and country specific risk.	Future Cashflow and discounting rate	Any increase/ decrease in discount rates by 0.5% will result in ~ 1.9% decrease/ increase in the preference shares value. Any change (increase/ decrease) in the future cash-flows would entail corresponding change in the preference shares value.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 52 RECONCILIATION OF LEVEL 3 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE THROUGH P&L

Particulars	₹ Crores
	<b>Investment in Preference shares- unquoted</b>
<b>Opening balance as on 1<sup>st</sup> April, 2022</b>	<b>205.64</b>
Total gains/(losses) recognised in profit and loss under other income	(8.20)
<b>Closing balance as on 31<sup>st</sup> March, 2023</b>	<b>197.44</b>
Total gains/(losses) recognised in profit and loss under other income	19.62
Matured during the year	(23.93)
<b>Closing balance as on 31<sup>st</sup> March, 2024</b>	<b>193.13</b>

## 53 RATIOS

The following are the ratios for the year ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023

Ratio	Numerator	Denominator	Unit	2024	2023	% change
Current Ratio	Current Assets	Current Liabilities	Times	1.94	1.75	10.86%
Debt- Equity Ratio	Total Debt	Shareholder's Equity	Times	0.09	0.15	-40.00%
Debt Service Coverage Ratio	Earnings available for Debt Service	Debt Service	Times	6.48	6.91	-6.22%
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	%	15.24%	18.12%	-15.89%
Inventory Turnover Ratio	Sale of Products	Average Inventory	Times	8.19	8.46	-3.19%
Trade Receivables Turnover Ratio	Net credit Sales	Average Accounts Receivable	Times	6.02	6.82	-11.73%
Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	Times	5.29	5.67	-6.70%
Net Capital Turnover Ratio	Net Sales	Working Capital	Times	6.03	8.17	-26.19%
Net Profit Ratio	Profit After Tax	Sales of Products	%	7.34%	6.76%	8.58%
Return on Capital Employed	Earnings before interest and taxes	Capital Employed	%	18.62%	21.02%	-11.42%
Return on investment	Income earned on investments	Average Investment for the period	%	6.38%	4.55%	40.22%

### Explanatory notes:

- (i) Cost of materials consumed for the purpose of Inventory turnover ratio includes Purchases of stock-in-trade and Changes in inventories of finished goods, stock-in-trade and work-in-progress.
- (ii) Investments includes current and non-current investments including Fixed deposits excluding investments in Equity/ Preference instruments.

### Explanation for change in the ratios by more than 25%:

- (i) **Debt-Equity Ratio (Times):** The debt-equity ratio is healthier at 0.09 in current year as against 0.15 in previous year primarily due to repayment of borrowings during the year.
- (ii) **Net Capital Turnover Ratio (Times):** The Capital Turnover Ratio is 6.03 in current year as against 8.17 in previous year primarily due to lower Sales.
- (iii) **Return on Investment (%):** Return on Investment has improved to 6.38% in current year from 4.55% in previous year due to higher interest rate in current year.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 54 TRANSACTIONS WITH STRUCK OFF COMPANIES

### As at 31st March, 2024

There are no transactions with Struck off Companies during the year 2023-24.

### As at 31st March, 2023

₹ Crores				
Name of struck off company	Nature of transaction with struck off company	Balance outstanding at the end of the year as at 31 <sup>st</sup> March, 2023	Balance outstanding at the end of the year as at 31 <sup>st</sup> March, 2022	Relationship with struck off company
JPS Clean Care Services Pvt Ltd	Other Advances	-*	(0.01)	Vendor

\*Figures less than ₹ 50,000

## 55 OTHER STATUTORY INFORMATION

- (i) The Company does not have any Benami property, where any proceedings have been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any charges or satisfaction which are yet to be registered with the ROC beyond the statutory period.
- (iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a. 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
  - b. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a. 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
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (vi) The Company does not have 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 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

## 56 AUDIT TRAIL

Pursuant to amendment by Ministry of Corporate Affair (MCA) in the Companies Amendment Rules 2021, the company is using an accounting software for maintaining its books of accounts which has a feature of recording audit trail edit log facility and that has been operative throughout the financial year for all relevant transactions recorded in the software impacting books of account.

Further, in respect of an accounting software operated by a third party software service provider for maintaining payroll records, Independent auditor's system and organisation controls report covering the requirement of audit trail in respect of this software is available for the period from 1<sup>st</sup> April, 2023 till 31<sup>st</sup> December, 2023 and the said report for the remaining

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

period is not available. The management of third party software service provider has represented that there is no significant change in the processes, systems and control activities during the remaining period.

## 57 IND-AS YET TO BE NOTIFIED

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. For the year ended 31<sup>st</sup> March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

For and on behalf of the Board

**K. NATARAJAN**

Managing Director  
DIN : 07626680

**VAIJANATH KULKARNI**

Executive Director & COO  
DIN : 07626842

**ABHIJIT DAMLE**

Chief Financial Officer

**NIRANJAN KETKAR**

Company Secretary

Place: Navi Mumbai  
Date: 21<sup>st</sup> May, 2024



# INDEPENDENT AUDITOR'S REPORT

## To The Members of Galaxy Surfactants Limited

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### OPINION

We have audited the accompanying consolidated financial statements of Galaxy Surfactants Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements / financial information of subsidiaries referred to in the Other Matters section below, 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, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

#### BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

#### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including Annexures to Director's Report, Management Discussion and Analysis Report, Business Responsibility Report, but does not include the consolidated financial statements, standalone 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, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.
- 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.

#### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate

accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

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

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

## OTHER MATTERS

(a) We did not audit the financial statements / financial information of 4 subsidiaries, whose financial statements / financial information reflect total assets of ₹ 916.68 crores as at 31<sup>st</sup> March, 2024, total revenues of ₹ 978.56 crores and net cash inflows amounting to ₹ 29.87 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements/

financial information of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law maintained by the Group including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except in relation to compliance with the requirements of audit trail, refer paragraph (i) (vi) below.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent as on March 31, 2024, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of Parent.
- h) 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 Parent to their directors during the year is in accordance with the provisions of section 197 of the Act.

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

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 40 to the consolidated financial statements.

ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent.

iv) (a) The Management of the Parent has represented to us that, to the best of their knowledge and belief, as disclosed in the note 51 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries and associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management of the Parent has represented to us that, to the best of their knowledge and belief, as disclosed in the note 51 to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from

any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us, 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) The final dividend proposed in the previous year, declared and paid by the Parent, whose financial statements have been audited under the Act during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 1 (under Statement of Changes in Equity) to the consolidated financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing respective Annual General Meetings.

Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination, which included test checks, the Parent Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, except that:

- in respect of an accounting software operated by a third party software service provider for maintaining payroll records of parent company, based on the independent auditor's system and organisation controls report covering the requirement of audit trail, the

software has a feature of recording audit trail (edit log) facility and the same has operated during the period April 1, 2023 till December 31, 2023 and there were no instance of audit trail feature being tampered with. In the absence of an independent auditor's system and organisation controls report covering the audit trail requirement for the remaining period, we are unable to comment whether the audit trail feature of the said software was enabled and operated post December 31, 2023, for all relevant transactions recorded in the software or whether there was any instance of the audit trail feature being tampered with (refer note 52 of the consolidated financial statements).

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting softwares for which the audit trail feature was enabled and operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies

(Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO report issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No 117366W/W-100018)

**Kedar Raje**

(Partner)

(Membership No. 102637)

(UDIN: 24102637BKELX11444)

Place: Mumbai

Date: May 21, 2024

# ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

## REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS 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 Ind AS financial statements of the Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Galaxy Surfactants Limited (hereinafter referred to as “Parent”) as of that date.

### MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Parent is responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent’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.

### AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Parent’s internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated

financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the 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 Parent’s internal financial controls with reference to consolidated financial statements.

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override

of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## OPINION

In our opinion to the best of our information and according to the explanations given to us, the Parent has, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements

were operating effectively as at March 31, 2024, based on the internal financial control over financial reporting 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 **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No 117366W/W-100018)

**Kedar Raje**

(Partner)

Place: Mumbai

(Membership No. 102637)

Date: May 21, 2024

(UDIN: 24102637BKELX11444)

# CONSOLIDATED BALANCE SHEET

as at 31<sup>st</sup> March, 2024

Particulars	Note	₹ Crores	
		2024	2023
<b>I. Assets</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	825.11	773.39
(b) Right of use Asset	3	140.44	141.94
(c) Capital Work-in-Progress	4	158.50	139.21
(d) Goodwill		3.03	2.98
(e) Other Intangible Assets	5	4.39	5.17
(f) Financial Assets			
(i) Loans	6	1.37	0.80
(ii) Other Financial Assets	7	13.70	13.56
(g) Deferred Tax Assets (Net)	8	8.75	6.74
(h) Income Tax Assets (Net)		9.49	9.98
(i) Other Non-Current Assets	9	47.90	38.75
<b>Total Non-Current Assets</b>		<b>1,212.68</b>	<b>1,132.52</b>
<b>Current Assets</b>			
(a) Inventories	10	556.05	645.82
(b) Financial Assets			
(i) Investments	11	198.03	-
(ii) Trade Receivables	12	593.09	614.80
(iii) Cash and Cash Equivalents	13	220.46	231.87
(iv) Bank Balances other than Cash and Cash Equivalents	13	18.83	15.70
(v) Loans	6	0.61	0.51
(vi) Other Financial Assets	7	10.74	8.91
(c) Other Current Assets	9	104.19	84.32
<b>Total Current Assets</b>		<b>1,702.00</b>	<b>1,601.93</b>
<b>Total Assets</b>		<b>2,914.68</b>	<b>2,734.45</b>
<b>II. Equity And Liabilities</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	35.45	35.45
(b) Other Equity	15	2,143.80	1,847.10
<b>Total Equity</b>		<b>2,179.25</b>	<b>1,882.55</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	45.68	89.06
(ii) Lease Liabilities	17	47.33	47.15
(iii) Other Financial Liabilities	18	0.32	0.33
(b) Provisions	19	7.73	6.07
(c) Deferred Tax Liabilities (Net)	20	29.65	28.34
(d) Other Non-Current Liabilities	21	1.62	0.99
<b>Total Non-Current Liabilities</b>		<b>132.33</b>	<b>171.94</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	85.98	182.74
(ii) Lease Liabilities	17	8.43	8.42
(iii) Trade Payables			
(a) Total outstanding dues of Micro and Small Enterprises	23	11.75	10.75
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	23	434.37	419.44
(iv) Other Financial Liabilities	18	12.90	7.36
(b) Provisions	19	5.83	6.16
(c) Current Tax Liabilities (Net)		-*	5.52
(d) Other Current Liabilities	21	43.84	39.57
<b>Total Current Liabilities</b>		<b>603.10</b>	<b>679.96</b>
<b>Total Equity And Liabilities</b>		<b>2,914.68</b>	<b>2,734.45</b>

\*Figures less than ₹ 50,000

The accompanying notes 1 to 54 are an integral part of the Consolidated Financial Statements.

In terms of our report attached

**Deloitte Haskins & Sells LLP**  
Chartered Accountants

**KEDAR RAJE**  
Partner

Place: Mumbai  
Date: 21<sup>st</sup> May, 2024

For and on behalf of the Board

**K. NATARAJAN**  
Managing Director  
DIN : 07626680

**ABHIJIT DAMLE**  
Chief Financial Officer

Place: Navi Mumbai  
Date: 21<sup>st</sup> May, 2024

**VAIJANATH KULKARNI**  
Executive Director & COO  
DIN : 07626842

**NIRANJAN KETKAR**  
Company Secretary



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31<sup>st</sup> March, 2024

		₹ Crores	
Particulars	Note	2023-24	2022-23
Revenue from operations	24	3,794.38	4,464.03
Other Income	25	35.46	9.85
<b>Total Income</b>		<b>3,829.84</b>	<b>4,473.88</b>
<b>Expenses</b>			
Cost of materials consumed	26	2,495.13	2,971.41
Purchases of Stock-in-trade	27	52.23	73.78
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	30.63	54.89
Employee benefits expense	29	275.46	248.05
Finance costs	30	22.40	21.70
Depreciation, amortisation and impairment expenses	31	99.81	83.48
Other expenses	32	478.71	547.62
<b>Total Expenses</b>		<b>3,454.37</b>	<b>4,000.93</b>
<b>Profit before exceptional items and tax</b>		<b>375.47</b>	<b>472.95</b>
Exceptional Items		-	-
<b>Profit before tax</b>		<b>375.47</b>	<b>472.95</b>
Tax Expenses			
Current Tax	33	73.07	91.26
Deferred Tax charge / (credit)	33	0.93	0.71
<b>Total Tax Expenses</b>		<b>74.00</b>	<b>91.97</b>
<b>Profit for the year</b>		<b>301.47</b>	<b>380.98</b>
<b>Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to profit or loss :			
Remeasurements of the defined benefit plans		(6.14)	(0.15)
(ii) Income tax relating to items that will not be reclassified to profit or loss	34	1.55	0.04
B. (i) Items that will be reclassified to profit or loss :			
Exchange differences in translating the financial statements of foreign operations		14.00	54.97
<b>Total Other Comprehensive Income</b>		<b>9.41</b>	<b>54.86</b>
<b>Total Comprehensive Income for the year</b>		<b>310.88</b>	<b>435.84</b>
<b>Earnings per equity share</b>			
(Face value ₹10 per share)			
Basic (₹)	35	85.03	107.46
Diluted (₹)	35	85.03	107.46

The accompanying notes 1 to 54 are an integral part of the Consolidated Financial Statements.

In terms of our report attached

For and on behalf of the Board

**Deloitte Haskins & Sells LLP**

Chartered Accountants

**K. NATARAJAN**

Managing Director

DIN : 07626680

**VAIJANATH KULKARNI**

Executive Director & COO

DIN : 07626842

**KEDAR RAJE**

Partner

**ABHIJIT DAMLE**

Chief Financial Officer

**NIRANJAN KETKAR**

Company Secretary

Place: Mumbai

Date: 21<sup>st</sup> May, 2024

Place: Navi Mumbai

Date: 21<sup>st</sup> May, 2024

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31<sup>st</sup> March, 2024

## A) EQUITY SHARE CAPITAL

Particulars	₹ Crores	
	2024	2023
<b>Issued and Subscribed :</b>		
Balance at the beginning of the current reporting period	35.45	35.45
Changes in Equity Share Capital during the reporting period	-	-
<b>Balance at the end of the current reporting period</b>	<b>35.45</b>	<b>35.45</b>

## B) OTHER EQUITY

Particulars	Reserves and Surplus					Items of Other Comprehensive Income	Total Other Equity
	Capital Reserve on consolidation	Statutory Reserve	Securities Premium	General Reserve	Retained Earnings	Foreign Currency translation Reserve	
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>3.11</b>	<b>-</b>	<b>0.20</b>	<b>26.38</b>	<b>1,454.48</b>	<b>54.73</b>	<b>1,538.90</b>
Profit for the year	-	-	-	-	380.98	-	380.98
Other Comprehensive Income / (Loss) (Net of tax expenses)	-	-	-	-	(0.11)	54.97	54.86
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>380.87</b>	<b>54.97</b>	<b>435.84</b>
Final Dividend on Equity Shares	-	-	-	-	(63.82)	-	(63.82)
Interim Dividend on Equity Shares	-	-	-	-	(63.82)	-	(63.82)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>3.11</b>	<b>-</b>	<b>0.20</b>	<b>26.38</b>	<b>1,707.71</b>	<b>109.70</b>	<b>1,847.10</b>
Profit for the year	-	-	-	-	301.47	-	301.47
Other Comprehensive Income / (Loss) (Net of tax expenses)	-	-	-	-	(4.59)	14.00	9.41
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>296.88</b>	<b>14.00</b>	<b>310.88</b>
Final Dividend on Equity Shares	-	-	-	-	(14.18)	-	(14.18)
Transfer to Statutory Reserve	-	12.08	-	-	(12.08)	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>3.11</b>	<b>12.08</b>	<b>0.20</b>	<b>26.38</b>	<b>1,978.33</b>	<b>123.70</b>	<b>2,143.80</b>

Note :

### B.1 : Details of Dividend proposed :

Particulars	₹ Crores	
	2024	2023
Dividend per share (In ₹)	22.00	4.00
Dividend proposed on Equity Shares	78.00	14.18
<b>Total Dividend proposed</b>	<b>78.00</b>	<b>14.18</b>

The Board of Directors of the parent company at its meeting held on 21<sup>st</sup> May, 2024 has approved final dividend of ₹ 22 per share (220% of the face value of the equity share of face value of ₹ 10 each) amounting to ₹ 78.00 crores for the year ended 31<sup>st</sup> March, 2024. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company to be held on 07<sup>th</sup> August, 2024.

**The accompanying notes 1 to 54 are an integral part of the Consolidated Financial Statements.**

In terms of our report attached

For and on behalf of the Board

**Deloitte Haskins & Sells LLP**  
Chartered Accountants

**K. NATARAJAN**  
Managing Director  
DIN : 07626680

**VAIJANATH KULKARNI**  
Executive Director & COO  
DIN : 07626842

**KEDAR RAJE**  
Partner

**ABHIJIT DAMLE**  
Chief Financial Officer

**NIRANJAN KETKAR**  
Company Secretary

Place: Mumbai  
Date: 21<sup>st</sup> May, 2024

Place: Navi Mumbai  
Date: 21<sup>st</sup> May, 2024

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31<sup>st</sup> March, 2024

Particulars	₹ Crores	
	2023-24	2022-23
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES :</b>		
<b>Profit After Tax</b>	<b>301.47</b>	<b>380.98</b>
<b>Adjustments for :</b>		
Income tax expenses	74.00	91.97
Finance costs	22.40	21.70
Interest subvention income	(0.80)	(1.52)
Interest income	(9.02)	(2.18)
Dividend income	(4.56)	-*
Deferred income from Export Promotion Capital Goods Scheme (EPCG)	(0.10)	0.10
Net foreign exchange loss/(gain)	1.22	(1.06)
Loss/(Gain) on sale/retirement of Property, Plant and Equipment (Net)	1.44	0.94
Impairment reversal in Property, Plant and Equipment	(1.33)	(0.22)
Gain on early termination of leases	-	(0.34)
Depreciation, amortisation and impairment expenses	99.81	83.48
Bad Debts and allowance for Doubtful Debts/advances (Net)	0.93	5.98
Liabilities no longer required written back	-	(1.97)
	<b>183.99</b>	<b>196.88</b>
<b>Operating Profit before Working Capital changes</b>	<b>485.46</b>	<b>577.86</b>
<b>Changes in :</b>		
Trade receivables & Other Assets	4.75	97.28
Inventories	93.96	92.39
Trade payables & Other Liabilities	12.33	(93.33)
	<b>111.04</b>	<b>90.34</b>
<b>Cash generated from operations</b>	<b>596.50</b>	<b>668.20</b>
Income Taxes Paid (net of refunds)	(78.08)	(95.25)
<b>NET CASHFLOWS FROM / (USED IN) OPERATING ACTIVITIES</b>	<b>518.42</b>	<b>572.95</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES :</b>		
Interest received	9.44	3.05
Dividend received	4.56	-*
Payments for Property, Plant & Equipment (including Capital Work-in-Progress) and Intangible Assets	(158.25)	(146.08)
Proceeds from disposal of Property, Plant & Equipment	1.95	2.22
(Purchase)/ Sale of Current Investments (Net)	(196.74)	0.50
(Increase)/ Decrease in Earmarked balances with banks (Net)	0.23	1.28
(Increase)/ Decrease in bank deposits not considered as Cash & Cash Equivalents (Net)	(5.10)	(9.53)
<b>NET CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES</b>	<b>(343.91)</b>	<b>(148.56)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES :</b>		
Proceeds from long term borrowings	-	40.00
Repayment of long term borrowings	(37.74)	(30.34)
Proceeds from/(Repayment of) short term borrowings (Net)	(102.70)	(113.57)
Dividend paid on equity shares	(14.28)	(127.51)
Interest paid	(23.46)	(24.09)
Payment of Lease Liabilities	(10.74)	(8.75)
<b>NET CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES</b>	<b>(188.92)</b>	<b>(264.26)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(14.41)</b>	<b>160.13</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>231.87</b>	<b>63.76</b>
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	3.00	7.98
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>220.46</b>	<b>231.87</b>

**Note:**

The above statement of cash flows has been prepared under the "Indirect method" as set out in Accounting Standard (IND AS) 7 - "Statement of Cash flows".

\*Figures less than ₹ 50,000.

The accompanying notes 1 to 54 are an integral part of the Consolidated Financial Statements.

In terms of our report attached

For and on behalf of the Board

**Deloitte Haskins & Sells LLP**  
Chartered Accountants

**K. NATARAJAN**  
Managing Director  
DIN : 07626680

**VAIJANATH KULKARNI**  
Executive Director & COO  
DIN : 07626842

**KEDAR RAJE**  
Partner

**ABHIJIT DAMLE**  
Chief Financial Officer

**NIRANJAN KETKAR**  
Company Secretary

Place: Mumbai  
Date: 21<sup>st</sup> May, 2024

Place: Navi Mumbai  
Date: 21<sup>st</sup> May, 2024

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 1. (A) CORPORATE INFORMATION

The Consolidated financial statements comprise of financial statements of Galaxy Surfactants Ltd. ("the Parent") and its subsidiaries (collectively, the Group) for the year ended March 31, 2024.

The Parent is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The address of its registered office is C-49/2, TTC Industrial Area, Pawne, Navi Mumbai - 400703, Maharashtra.

The Group is engaged in manufacturing of surfactants and other specialty ingredients for the personal care and home care industries. The products of the group find application in a host of consumer-centric personal care and home care products, including, inter alia, skin care, oral care, hair care, cosmetics, toiletries and detergent products.

The Equity shares of the Parent are listed on the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE") in India.

## (B) SIGNIFICANT ACCOUNTING POLICIES

### a) Statement of compliance

These Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

The Consolidated financial statements of the Group for the year ended 31<sup>st</sup> March, 2024 were approved for issue in accordance with a resolution of the Board of Directors in its meeting held on 21<sup>st</sup> May, 2024.

### b) Basis of preparation and presentation

The financial statements are prepared in accordance with the historical cost basis, except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

### c) Basis of Consolidation

The Consolidated financial statements incorporate the financial statements of the Group.

#### Subsidiaries

Subsidiaries are entities over which the group has control. Subsidiaries are consolidated on a line-by-line basis from the date the control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. These financial statements are prepared by applying uniform accounting policies in use at the Group.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

**The principal accounting policies are set out below**

## d) Revenue Recognition

Revenue from contracts with customers is recognised when the Company satisfies performance obligations by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains control of the asset.

Revenue is measured based on the transaction price, stated net of discounts, returns & Goods and Service Tax. The transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

## Other Income

Dividend income from investments is recognised when the shareholder's right to receive dividends has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group 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

## e) Property, Plant and Equipment

Property, Plant and Equipment are stated at the cost of acquisition or construction less accumulated depreciation and impairment losses, if any. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, decommissioning costs, if any and interest on borrowings attributable to the acquisition of qualifying asset up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase/completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously

assessed standard of performance and cost can be measured reliably

Machinery spares that meet the definition of property, plant and equipment are capitalised.

Property, Plant and Equipment that are not ready for intended use as on the date of the Balance Sheet are disclosed as "Capital work-in-progress". Projects are carried at cost comprising of direct cost and related incidental expenses and attributable borrowing costs, if any.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation on these assets commences when assets are ready for their intended use which is generally on commissioning. Items of Property Plant and Equipment are depreciated in a manner that amortises the cost of the assets after commissioning less its residual value, over their useful lives as specified in Schedule II of the Act on a straight-line basis, other than the following asset classes, based on Group's expected usage pattern supported by technical assessment.

### Useful lives

- Certain Plant and Machinery: 5-10 years
- Certain Furniture and Fixtures: 7-10 years
- Certain Computers & Softwares: 3-5 years
- Certain Buildings: 10-39 years
- Certain Vehicles: 8-10 years
- Freehold Land is not depreciated

Depreciation on additions/deletions during the year is provided on pro-rata basis from/up to the date of such addition/deletion.

Property, Plant and Equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## f) Goodwill and Intangible Assets

Goodwill is initially recognised as the excess of the acquirer's interest in the net fair value of the identifiable net assets of acquired business. Subsequent to initial measurement, goodwill is measured at cost less accumulated impairment, if any. Goodwill is allocated to the cash-generating unit which is expected to benefit from the business combination.

Intangible assets are initially recognised at cost unless acquired in a business combination on or after the transition date (1<sup>st</sup> April, 2016) in which case it is recognised at their acquisition date fair value.

Intangible assets other than Goodwill and intangibles with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives so as to reflect the pattern in which the asset's economic benefits are consumed. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The amortisation of intangible assets is included in the Depreciation and Amortisation expense in the Statement of Profit and Loss

### Software

The expenditure incurred is amortised over the five years equally commencing from the date of acquisition.

### Technical Know-how

The expenditure incurred on Technical Know-how is amortised over the estimated period of benefit, not exceeding Ten years commencing from the date of acquisition.

### Customer Relationships

The expenditure incurred is amortised over the five years equally commencing from the date of acquisition.

### Research & Development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged

to the Statement of Profit and Loss unless a product's technical and economic feasibility and marketability have been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, Plant and Equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment.

## g) Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and bought-out components are valued at the lower of cost or net realisable value. Cost is determined on the basis of the weighted average method.

Finished goods produced and purchased for sale, manufactured components and work-in-progress are carried at cost or net realisable value whichever is lower.

Stores, spares and tools other than obsolete and slow moving items are carried at cost. Obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

## h) Leases

### The Group as a lessee

The Group's lease asset classes primarily comprise of lease for land and building. The Group assesses whether contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys 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 Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a Right of use Asset ("ROU") and a corresponding lease liability for all lease

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense over the term of the lease.

The Right of use Assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right of use Assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

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

## The Group as a Lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

### i) Foreign exchange transactions and translations

Transactions in foreign currencies i.e. other than the Company's functional currency of Indian Rupees are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms

of historical cost in a foreign currency are not retranslated. Exchange differences on revaluation are recognised in the Statement of Profit and Loss in the period in which they arise.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income in the statement of changes in equity after attribution to non-controlling interests as appropriate.

On the disposal of a foreign operation i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to the Statement of Profit and Loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in the Statement of Profit and Loss.

### j) Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, social security, 401K plan, gratuity and compensated absences.

#### Defined contribution plans

The Group's contribution to provident fund, social security, 401K plan and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made.

#### Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

date. Service cost and net interest expenses or income is recognised in the Statement of Profit and Loss. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to the Statement of Profit and Loss.

## Short term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

## Long term Compensated absences

The employees of the Group are entitled to compensated absences for which the Group records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

## k) Borrowing Costs

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

- Borrowing costs that are attributable to the acquisition or construction of qualifying tangible and intangible assets that necessarily take a substantial period of time to get ready for their intended use, which are capitalised as part of the cost of such assets.
- Expenses incurred on raising long term borrowings are amortised using effective interest rate method over the period of borrowings.

Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

## l) Taxes on Income

Taxes on income comprises of current taxes and deferred taxes.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the applicable tax regulations. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised on temporary differences, being differences between the carrying amount of assets and liabilities and corresponding tax bases used in the computation of taxable profit. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

## m) Impairment of Assets

The carrying values of assets/cash-generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate pre-tax discount rate to determine



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

whether there is any indication that those assets have suffered any impairment loss. When there is an indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in the case of revalued assets.

## n) Provisions and Contingent Liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material, provision is carried at the present value of the cash flows required to settle the obligation.

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 Group 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. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

## o) Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

## p) Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the relevant instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through Profit and Loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit and Loss are recognised immediately in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

### Classification and subsequent measurement

#### Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification

On initial recognition, a financial asset is classified as measured at -

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) ; or
- Fair Value Through Profit and Loss (FVTPL)

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

All financial asset not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Any gain and loss on derecognition is recognised in the Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

For equity investments, the Group makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in Other Comprehensive Income and accumulated

in the reserves. The cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purposes. Upon the application of Ind AS 109, the Group has chosen to designate these investments as at FVTOCI as the Group believes that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in the Statement of Profit and Loss. Dividend income received on such equity investments are recognised in the Statement of Profit and Loss.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in the Statement of Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

## Financial liabilities and equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

## Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

## Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## Compound instruments

An issued financial instrument that comprises of both the liability and equity components are accounted as compound financial instruments. The fair value of the liability component is separated from the compound instrument and the residual value is recognised as equity component of financial instrument. The liability component is subsequently measured at amortised cost, whereas the equity component is not remeasured after initial recognition. The transaction costs related to compound instruments are allocated to the liability and equity components in the proportion to the allocation of gross proceeds. Transaction costs related to equity component is recognised directly in equity and the cost related to liability component is included in the carrying amount of the liability component and amortised using effective interest method.

## Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

## Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

## Financial guarantee contracts and loan commitments

A financial guarantee contract is a contract that requires the issuer to make specified payments to

reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts and loan commitments issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

## Impairment of financial assets

The Group applies the expected credit loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables, the Group measures the loss allowance at an amount equal to lifetime expected credit losses. For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

Group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

## q) Dividend Distribution

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

## r) Derivative contracts

The Group uses derivative financial instruments such as foreign exchange forward contracts and interest rate swaps to hedge its foreign currency risks which are not designated as hedges. All derivative contracts are marked-to-market and losses/gains are recognised in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

## s) Use of Estimates and judgement

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed at the end of each reporting period. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### Critical accounting judgements and key source of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### Useful lives of property, plant and equipment and intangible assets

As described in the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Useful lives of intangible assets is determined on the basis of estimated benefits to be derived from use of such intangible assets. These reassessments may result in change in the depreciation /amortisation expense in future periods.

### Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value at each balance sheet date or at the time they are assessed for impairment. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities require estimates to be made by the management and are disclosed in the notes to the financial statements.

### Actuarial Valuation

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the financial statements.

## t) Business Combinations:

The Group accounts for its business combinations under acquisition method of accounting. The acquirer's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date. The difference between the fair value of the purchase consideration paid together with non-controlling interest on acquisition date and the fair value of net assets acquired is recognised as goodwill or capital

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

reserve on acquisition. The excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed is recognised as goodwill. Any shortfall is recognised as capital reserve on consolidation.

## u) Fair value measurement

The Group measures certain financial instruments at fair value at each reporting date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability also reflects its non-performance risk.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in the

Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

While measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, 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)

## v) Earnings per share

- Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 2 PROPERTY, PLANT AND EQUIPMENT

Particulars	₹ Crores							
	Freehold Land	Leasehold Improvements	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
<b>(I) Cost</b>								
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>2.99</b>	<b>0.78</b>	<b>287.45</b>	<b>848.45</b>	<b>25.20</b>	<b>6.80</b>	<b>38.07</b>	<b>1,209.74</b>
Add : Additions during the year	-	-	31.11	174.77	3.47	2.99	7.74	<b>220.08</b>
Less : Disposals/Adjustments during the year	-	-	(0.07)	(7.26)	(0.37)	(0.89)	(2.41)	<b>(11.00)</b>
Add/Less : Foreign exchange translation differences	0.25	0.07	10.68	25.61	0.51	0.05	1.19	<b>38.36</b>
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>3.24</b>	<b>0.85</b>	<b>329.17</b>	<b>1,041.57</b>	<b>28.81</b>	<b>8.95</b>	<b>44.59</b>	<b>1,457.18</b>
Add : Additions during the year	-	-	15.47	105.23	2.15	2.96	11.78	<b>137.59</b>
Less : Disposals/Adjustments during the year	-	-	(0.06)	(9.79)	(0.01)	(0.65)	(0.35)	<b>(10.86)</b>
Add/Less : Foreign exchange translation differences	0.05	0.01	2.09	5.32	0.10	0.02	0.25	<b>7.84</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>3.29</b>	<b>0.86</b>	<b>346.67</b>	<b>1,142.33</b>	<b>31.05</b>	<b>11.28</b>	<b>56.27</b>	<b>1,591.75</b>
<b>(II) Accumulated depreciation</b>								
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>-</b>	<b>0.44</b>	<b>104.61</b>	<b>445.51</b>	<b>19.79</b>	<b>3.17</b>	<b>27.03</b>	<b>600.55</b>
Add : Depreciation expense for the year	-	0.08	11.41	54.30	1.16	0.86	4.26	<b>72.07</b>
Add : Impairment expenses/ (reversals) for the Year (Refer Note 2.5)	-	-	-	(0.09)	-	-	-	<b>(0.09)</b>
Less : Disposals/Adjustments during the year	-	-	(0.03)	(6.14)	(0.35)	(0.67)	(1.50)	<b>(8.69)</b>
Add/Less : Foreign exchange translation differences	-	0.04	3.76	14.85	0.42	0.03	0.85	<b>19.95</b>
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>-</b>	<b>0.56</b>	<b>119.75</b>	<b>508.43</b>	<b>21.02</b>	<b>3.39</b>	<b>30.64</b>	<b>683.79</b>
Add : Depreciation expense for the year	-	0.08	13.05	65.58	1.31	1.17	5.83	<b>87.02</b>
Add : Impairment expenses/ (reversals) for the Year (Refer Note 2.5)	-	-	-	(1.33)	-*	-	-*	<b>(1.33)</b>
Less : Disposals/Adjustments during the year	-	-	0.01	(6.46)	-*	(0.38)	(0.38)	<b>(7.21)</b>
Add/Less : Foreign exchange translation differences	-	0.01	0.83	3.24	0.09	0.01	0.19	<b>4.37</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>-</b>	<b>0.65</b>	<b>133.64</b>	<b>569.46</b>	<b>22.42</b>	<b>4.19</b>	<b>36.28</b>	<b>766.64</b>
<b>Net Carrying amount(I-II)</b>								
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>3.24</b>	<b>0.29</b>	<b>209.42</b>	<b>533.14</b>	<b>7.79</b>	<b>5.56</b>	<b>13.95</b>	<b>773.39</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>3.29</b>	<b>0.21</b>	<b>213.03</b>	<b>572.87</b>	<b>8.63</b>	<b>7.09</b>	<b>19.99</b>	<b>825.11</b>

Notes:

- 2.1 Buildings include shares being the value of shares in Co-operative housing Society of ₹ -\* (2022-23 ₹ -\*)
- 2.2 The amount of borrowing costs capitalised is ₹ Nil Crores (2022-23 ₹ 6.38 Crores)

Particulars	₹ Crores	
	2024	2023
Buildings	-	0.93
Plant and Equipment	-	5.45

- 2.3 The amount of expenditure (other than borrowing cost) recognised in the carrying amount of property, plant and equipment in the course of construction is ₹ Nil Crores (2022-23 ₹ 10.40 Crores) out of which ₹ Nil Crores (2022-23 ₹ 2.89 Crores) is incurred in current year.
- 2.4 Term loans from banks taken by Parent company are secured by first pari passu charge created by mortgage of immovable properties located at Taloja and specified properties located at Tarapur and movable fixed assets at these locations.
- 2.5 The Impairment expenses have been included under 'Depreciation, amortisation and impairment expenses' and Impairment reversals have been included under 'Other Income' in the Statement of Profit and Loss.

\* Figures less than ₹ 50,000

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 3 RIGHT OF USE ASSET

Particulars	₹ Crores		
	Building	Land	Total
<b>(I) Cost</b>			
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>32.00</b>	<b>132.87</b>	<b>164.87</b>
Add : Additions during the year (Refer Note 3.2)	7.06	-	7.06
Less : Deductions/Adjustments during the year	(6.44)	-	(6.44)
Add/Less : Foreign exchange translation differences	1.43	3.01	4.44
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>34.05</b>	<b>135.88</b>	<b>169.93</b>
Add : Additions during the year (Refer Note 3.2)	8.46	-	8.46
Less : Deductions/Adjustments during the year	(7.03)	-	(7.03)
Add/Less : Foreign exchange translation differences	0.28	0.58	0.86
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>35.76</b>	<b>136.46</b>	<b>172.22</b>
<b>(II) Accumulated Amortisation</b>			
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>13.59</b>	<b>8.24</b>	<b>21.83</b>
Add : Amortisation expense for the year	5.26	3.87	9.13
Less : Deductions/Adjustments during the year	(3.77)	-	(3.77)
Add/Less : Foreign exchange translation differences	0.51	0.29	0.80
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>15.59</b>	<b>12.40</b>	<b>27.99</b>
Add : Amortisation expense for the year	6.63	3.95	10.58
Less : Deductions/Adjustments during the year	(7.03)	-	(7.03)
Add/Less : Foreign exchange translation differences	0.13	0.11	0.24
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>15.32</b>	<b>16.46</b>	<b>31.78</b>
<b>Net Carrying amount(I-II)</b>			
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>18.46</b>	<b>123.48</b>	<b>141.94</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>20.44</b>	<b>120.00</b>	<b>140.44</b>

Notes:

- 3.1 The amortisation expenses of Right of use Asset have been included under 'Depreciation, amortisation and impairment expenses' in the Statement of Profit and Loss.
- 3.2 Addition during the year include modification amounting to ₹ Nil Crores (2022-23: ₹ 0.01 Crores).

## 4 CAPITAL WORK-IN-PROGRESS

Particulars	₹ Crores	
	2024	2023
Capital Work-in-Progress (Refer Note 4.1)	158.50	139.21
<b>Total</b>	<b>158.50</b>	<b>139.21</b>

Notes:

- 4.1 Capital work in progress (CWIP) Ageing Schedule

### As at 31<sup>st</sup> March, 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	97.78	30.17	15.39	15.16	158.50
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>97.78</b>	<b>30.17</b>	<b>15.39</b>	<b>15.16</b>	<b>158.50</b>

### As at 31<sup>st</sup> March, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	90.60	31.68	16.71	0.22	139.21
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>90.60</b>	<b>31.68</b>	<b>16.71</b>	<b>0.22</b>	<b>139.21</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

- 4.2 Capital work in progress (CWIP) Completion Schedule for Projects that either are overdue or has exceeded its cost compared to its original plan

## As at 31st March, 2024

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Efficiency Improvement and Capacity Expansion	33.19	53.44	3.23	-	89.86
<b>Total</b>	<b>33.19</b>	<b>53.44</b>	<b>3.23</b>	<b>-</b>	<b>89.86</b>

₹ Crores

## As at 31st March, 2023

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Efficiency Improvement and Capacity Expansion	18.01	17.00	-	-	35.01
<b>Total</b>	<b>18.01</b>	<b>17.00</b>	<b>-</b>	<b>-</b>	<b>35.01</b>

₹ Crores

- 4.3 There are no projects where activity has been suspended permanently in both the years.

## 5 OTHER INTANGIBLE ASSETS

Particulars	Computer Software	Technical Know How	Trademarks	Customer Relationships	Total
₹ Crores					
<b>(I) Cost</b>					
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>20.22</b>	<b>0.30</b>	<b>1.83</b>	<b>8.40</b>	<b>30.75</b>
Add : Additions during the year	1.88	-	-	-	1.88
Less : Deductions/Adjustments during the year	-*	-	-	-	-*
Add/Less : Foreign exchange translation differences	0.41	-	0.15	0.71	1.27
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>22.51</b>	<b>0.30</b>	<b>1.98</b>	<b>9.11</b>	<b>33.90</b>
Add : Additions during the year	1.43	-	-	-	1.43
Less : Deductions/Adjustments during the year	-	-	-	-	-
Add/Less : Foreign exchange translation differences	0.08	-	0.03	0.14	0.25
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>24.02</b>	<b>0.30</b>	<b>2.01</b>	<b>9.25</b>	<b>35.58</b>
<b>(II) Accumulated depreciation</b>					
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>14.87</b>	<b>0.22</b>	<b>1.83</b>	<b>8.40</b>	<b>25.32</b>
Add : Amortisation expense for the year	2.12	0.03	-	-	2.15
Less : Deductions/Adjustments during the year	-*	-	-	-	-*
Add/Less : Foreign exchange translation differences	0.40	-	0.15	0.71	1.26
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>17.39</b>	<b>0.25</b>	<b>1.98</b>	<b>9.11</b>	<b>28.73</b>
Add : Amortisation expense for the year	2.18	0.03	-	-	2.21
Less : Deductions/Adjustments during the year	-	-	-	-	-
Add/Less : Foreign exchange translation differences	0.08	-	0.03	0.14	0.25
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>19.65</b>	<b>0.28</b>	<b>2.01</b>	<b>9.25</b>	<b>31.19</b>
<b>Net Carrying amount(I-II)</b>					
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>5.12</b>	<b>0.05</b>	<b>-</b>	<b>-</b>	<b>5.17</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>4.37</b>	<b>0.02</b>	<b>-</b>	<b>-</b>	<b>4.39</b>

Note:

- 5.1 The amortisation expenses of other intangible assets have been included under 'Depreciation, amortisation and impairment expenses' in the Statement of Profit and Loss.

\*Figures less than ₹ 50,000.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 6 LOANS

Particulars	₹ Crores			
	2024		2023	
	Current	Non-Current	Current	Non-Current
<b>Financial assets at amortised cost :</b>				
<b>Other Loans (Employees)</b>				
- Unsecured, considered good	0.61	1.37	0.51	0.80
<b>Total</b>	<b>0.61</b>	<b>1.37</b>	<b>0.51</b>	<b>0.80</b>

## 7 OTHER FINANCIAL ASSETS

Particulars	₹ Crores			
	2024		2023	
	Current	Non-Current	Current	Non-Current
<b>Financial assets at amortised cost: (Considered Good, unless otherwise stated)</b>				
Security Deposit				
- Unsecured, considered good	0.40	11.38	0.27	11.36
Advances				
- Considered Good	7.81	-	8.17	-
Bank Deposit with original maturity above 12 months	1.64	2.20	-	2.08
Interest accrued	0.88	-	0.37	-
Other financial assets	0.01	0.12	0.01	0.12
	<b>10.74</b>	<b>13.70</b>	<b>8.82</b>	<b>13.56</b>
<b>Derivatives financial instruments not designated as hedging instruments carried at fair value through Profit &amp; Loss</b>				
Derivative financial instruments	-	-	0.09	-
<b>Total</b>	<b>10.74</b>	<b>13.70</b>	<b>8.91</b>	<b>13.56</b>

## 8 DEFERRED TAX ASSETS (NET)

Particulars	₹ Crores	
	2024	2023
Deferred tax assets (Refer Note 8.1)	8.75	6.74
<b>Total</b>	<b>8.75</b>	<b>6.74</b>

Note:

### 8.1 Movement In Deferred tax assets:

Particulars	₹ Crores			
	On Fiscal allowances on fixed assets	On Provision for employee benefits	On Others*	Total
<b>Deferred tax (liabilities)/ assets as at 1<sup>st</sup> April, 2022</b>	<b>(3.56)</b>	<b>1.40</b>	<b>6.04</b>	<b>3.88</b>
(Charge) / credit to Statement of Profit and Loss	3.14	0.59	(0.96)	2.77
Foreign currency translation differences	(0.23)	0.13	0.19	0.09
<b>Deferred tax (liabilities)/ assets as at 31<sup>st</sup> March, 2023</b>	<b>(0.65)</b>	<b>2.12</b>	<b>5.27</b>	<b>6.74</b>
(Charge) / credit to Statement of Profit and Loss	(5.47)	(1.83)	9.23	1.93
Foreign currency translation differences	(0.05)	0.02	0.11	0.08
<b>Deferred tax (liabilities)/ assets as at 31<sup>st</sup> March, 2024</b>	<b>(6.17)</b>	<b>0.31</b>	<b>14.61</b>	<b>8.75</b>

\* Others mainly includes deferred tax pertaining to a subsidiary company on research & development expenditure, inventory reserve, etc.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 9 OTHERS ASSETS

Particulars	2024		2023	
	Current	Non-Current	Current	Non-Current
<b>Advances</b>				
Capital Advances	-	31.79	-	21.98
Export Incentives receivable	3.90	1.19	4.07	1.19
Balance with government authorities	58.31	15.31	33.14	15.56
Prepaid Expenses	11.91	0.21	9.57	0.62
Other Advance (Refer Note 9.1)				
- Considered Good	30.09	-	37.56	-
- Considered Doubtful	0.02	-	0.02	-
	<b>104.23</b>	<b>48.50</b>	<b>84.36</b>	<b>39.35</b>
Less: Allowance for Doubtful Advances	(0.04)	(0.60)	(0.04)	(0.60)
<b>Total</b>	<b>104.19</b>	<b>47.90</b>	<b>84.32</b>	<b>38.75</b>

Note :

9.1 Other advances mainly include Advances to suppliers, etc.

## 10 INVENTORIES

Particulars	2024		2023	
Raw Materials [Including in transit of ₹ 43.80 Crores (2022-23 : ₹ 54.47 Crores)]		165.34		230.84
Packing Material		12.72		13.66
Work-in-Progress		92.62		91.77
Finished Goods		176.99		154.98
Stock-in-Trade [Including in transit of ₹ 2.18 Crores (2022-23 : ₹ 2.29 Crores)]		63.96		114.95
Consumables, Stores and Spares [Including in transit of ₹ Nil Crores (2022-23 : ₹ 0.01 Crores)]		44.42		39.62
<b>Total</b>		<b>556.05</b>		<b>645.82</b>

Notes:

10.1 The cost of Inventories recognised as an expense during the year was ₹ 3016.24 Crores (2022-23 : ₹ 3507.62 Crores).

10.2 The cost of Inventories recognised as an expense includes ₹ 17.53 Crores (2022-23: ₹ 9.06 Crores) in respect of write downs of inventory to net realisable value, and has been reduced by ₹ 0.44 Crores (2022-23 : ₹ 1.96 Crores) in respect of the reversal of such write downs. Previous write downs have been reversed as a result of internal consumption as well as sale of products.

10.3 The Group has availed credit facilities from banks which are secured interalia by hypothecation of inventories.

10.4 The mode of valuation of inventories is stated in subnote (g) of Note 1B.

## 11 INVESTMENTS (CURRENT)

Particulars	2024		2023	
<b>Unquoted</b>				
<b>Carried at Fair Value through Profit or Loss</b>				
Investment in Debt Mutual Fund		24.05		-
Investment in Money Market Mutual Fund		173.98		-
<b>Total</b>		<b>198.03</b>		<b>-</b>
<b>Other Disclosure</b>				
Aggregate carrying value of unquoted investments		198.03		-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 12 TRADE RECEIVABLES

Particulars	₹ Crores	
	2024	2023
<b>Undisputed:</b>		
Unsecured, considered good	593.09	614.80
Unsecured, credit impaired (Refer Note 12.1)	2.38	1.89
	<b>595.47</b>	<b>616.69</b>
Less : Allowance for expected credit loss (Refer Note 12.1)	(2.38)	(1.89)
<b>Total</b>	<b>593.09</b>	<b>614.80</b>

Notes :

12.1 Also refer note no. 45(B) for disclosure related to Credit risk, Impairment of trade receivable under Expected Credit Loss and related disclosures.

12.2 The Group has availed certain credit facilities from banks which are secured by hypothecation of Trade Receivables.

12.3 Trade receivables Ageing Schedule

### As at 31st March, 2024

Particulars	₹ Crores						Total
	Current but not due	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	476.06	114.94	1.50	0.26	0.33	-*	593.09
Undisputed Trade receivable – credit impaired	-	1.34	0.09	0.86	0.09	-	2.38
<b>Total Trade Receivables</b>	<b>476.06</b>	<b>116.28</b>	<b>1.59</b>	<b>1.12</b>	<b>0.42</b>	<b>-*</b>	<b>595.47</b>
Less: Allowance for Expected Credit Loss							(2.38)
<b>Net Trade Receivables</b>							<b>593.09</b>

### As at 31st March, 2023

Particulars	₹ Crores						Total
	Current but not due	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	494.73	115.52	3.57	0.95	0.01	0.02	614.80
Undisputed Trade receivable – credit impaired	-	-	1.65	0.20	-	0.04	1.89
<b>Total Trade Receivables</b>	<b>494.73</b>	<b>115.52</b>	<b>5.22</b>	<b>1.15</b>	<b>0.01</b>	<b>0.06</b>	<b>616.69</b>
Less: Allowance for Expected Credit Loss							(1.89)
<b>Net Trade Receivables</b>							<b>614.80</b>

\* Figures less than ₹ 50,000.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 13 CASH AND BANK BALANCES

Particulars	₹ Crores	
	2024	2023
<b>Cash and cash equivalents</b>		
<b>Balances with banks</b>		
- Current Accounts	29.01	71.66
- Savings Accounts	35.51	32.95
- Fixed Deposits with original maturity 3 months or less than 3 months	155.78	126.93
	<b>220.30</b>	<b>231.54</b>
Cash on hand	0.16	0.33
<b>Total Cash and cash equivalents</b>	<b>220.46</b>	<b>231.87</b>
<b>Bank balances other than cash and cash equivalents</b>		
- Earmarked balances with banks (Refer Note 13.1)	0.83	0.93
- Fixed deposit account with original maturity more than 3 months but less than 12 months	18.00	14.64
- Margin Account Balance (Refer Note 13.2)	-	0.13
<b>Total Bank balances other than cash and cash equivalents</b>	<b>18.83</b>	<b>15.70</b>

Note :

13.1 Earmarked Balances with Banks represents amount set aside for payment of dividend and interest.

13.2 Margin Account Balance represents cash cover against letter of credit.

## 14 EQUITY SHARE CAPITAL

Particulars	₹ Crores	
	2024	2023
<b>Authorised:</b>		
5,00,00,000 Equity Shares of ₹ 10 each	50.00	50.00
(Previous Year: 5,00,00,000 Equity Shares of ₹ 10 each)		
<b>Total</b>	<b>50.00</b>	<b>50.00</b>
<b>Issued, Subscribed and Paid Up :</b>		
3,54,54,752 Equity Shares of ₹ 10 each, fully paid-up.	35.45	35.45
(Previous Year: 3,54,54,752 Equity Shares of ₹ 10 each, fully paid-up)		
<b>Total</b>	<b>35.45</b>	<b>35.45</b>

### A. Reconciliation of number of Ordinary (Equity) Shares and amount outstanding:

Particulars	2024		2023	
	No. of Shares	₹ Crores	No. of Shares	₹ Crores
<b>Issued and Subscribed :</b>				
Balance as at the beginning of the year	3,54,54,752	35.45	3,54,54,752	35.45
Changes in Equity Share Capital during the year	-	-	-	-
<b>Balance as at the end of the year</b>	<b>3,54,54,752</b>	<b>35.45</b>	<b>3,54,54,752</b>	<b>35.45</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## B. Rights, Preferences and Restrictions attached to Equity Shares

The Parent Company has only one class of equity shares having a par value of ₹ 10 per share. The Equity shares of the parent company rank pari-passu in all respects including voting rights and entitlement to dividend.

In the event of liquidation of the parent company, the holders of equity shares will be entitled to receive remaining assets of the parent company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## C. Details of Ordinary (Equity) Shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the Shareholder	2024		2023	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Unnathan Shekhar, Gopalkrishnan Ramakrishnan, Shashikant R. Shanbhag & Late Sandhya Patil# as Partners of M/s Galaxy Chemicals	77,52,850	21.87	77,52,850	21.87
Unnathan Shekhar	42,26,740	11.92	42,26,740	11.92
Late Sandhya Patil#	-	-	41,06,040	11.58
Shashikant R. Shanbhag	40,97,684	11.56	40,97,684	11.56
Gopalkrishnan Ramakrishnan	23,62,783	6.66	23,62,783	6.66
Jayashree Ramakrishnan	18,42,972	5.20	18,42,972	5.20
Siddharth Sudhir Patil#	20,53,020	5.79	-	-
Yash Sudir Patil#	20,53,020	5.79	-	-
Axis Mutual Fund	17,65,760	4.98	27,19,364	7.67
	<b>2,61,54,829</b>	<b>73.77</b>	<b>2,71,08,433</b>	<b>76.46</b>

## D. Details of shares held by promoters and promoters group at the end of the year:

Particulars	2024		2023		% Change during the year
	No. of Shares	% Shareholding	No. of Shares	% Shareholding	
<b>Promoters:</b>					
Unnathan Shekhar	42,26,740	11.92	42,26,740	11.92	-
Late Sandhya Patil#	-	-	41,06,040	11.58	(100.00)
Shashikant R. Shanbhag	40,97,684	11.56	40,97,684	11.56	-
Gopalkrishnan Ramakrishnan	23,62,783	6.66	23,62,783	6.66	-
Siddharth Sudhir Patil#	20,53,020	5.79	-	-	100.00
Yash Sudir Patil#	20,53,020	5.79	-	-	100.00
<b>Promoters Group:</b>					
Galaxy Chemicals, Partner Unnathan Shekhar	19,38,550	5.47	19,38,550	5.47	-
Galaxy Chemicals, Partner Gopalkrishnan Ramakrishnan	19,38,100	5.47	19,38,100	5.47	-
Galaxy Chemicals, Partner Shashikant R. Shanbhag	19,38,100	5.47	19,38,100	5.47	-
Galaxy Chemicals, Partner Late Sandhya Patil#	19,38,100	5.47	19,38,100	5.47	-
Jayashree Ramakrishnan	18,42,972	5.20	18,42,972	5.20	-
Galaxy Emulsifiers Private Limited	5,43,000	1.53	5,43,000	1.53	-
Lakshmy Shekhar	1,27,400	0.36	1,27,400	0.36	-
Sridhar Unnathan	38,120	0.11	42,905	0.12	(11.15)
Anuradha Dayanand Prabhu	12,000	0.03	12,000	0.03	-
K. S. Natarajan	10,574	0.03	7,204	0.02	46.78

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

Particulars	2024		2023		% Change during the year
	No. of Shares	% Shareholding	No. of Shares	% Shareholding	
Vandana Shashikant Shanbhag	10,000	0.03	10,000	0.03	-
Gajanan Nilkant Sinai Amonkar	6,000	0.02	6,000	0.02	-
Saraswathy	-	-	3,370	0.01	(100.00)
Vanita Hiren Kerkar	3,000	0.01	3,000	0.01	-
Sumathi Gopal	3,000	0.01	3,000	0.01	-
Shreekant Shanbhag	20	0.00	20	0.00	-
Lata Nayak	10	0.00	10	0.00	-
	<b>2,51,42,193</b>	<b>70.91</b>	<b>2,51,46,978</b>	<b>70.93</b>	<b>(0.02)</b>

# Mrs. Sandhya Patil expired on 25<sup>th</sup> April, 2019. The shares in her individual capacity have been transmitted to her legal heirs viz. Mr. Siddharth Sudhir Patil and Mr. Yash Sudhir Patil and shown under the category of promoter. The shares registered in her name as a partner of Galaxy Chemicals are in the process of transmission to legal heirs.

As per the records of the Parent Company, including its register of shareholders/members and other declarations received from the shareholders regarding the beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

## 15 OTHER EQUITY

Particulars	₹ Crores	
	2024	2023
Securities Premium Reserve	0.20	0.20
General Reserve	26.38	26.38
Capital Reserve on consolidation	3.11	3.11
Statutory Reserve	12.08	-
Retained Earnings	1,978.33	1,707.71
<b>Item of Other Comprehensive Income</b>		
Foreign currency translation reserve	123.70	109.70
<b>Total</b>	<b>2,143.80</b>	<b>1,847.10</b>

### Description of the nature and purpose of Other Equity

**Securities Premium:** This Reserve represents the premium on issue of equity shares received and can be utilised in accordance with the provisions of the Companies Act, 2013.

**General Reserve:** This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.

**Capital reserve on consolidation:** This Reserve represents the difference between value of the net assets transferred to the Group in the course of business combinations and the consideration paid for such combinations.

**Retained Earnings:** This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

**Statutory Reserve:** A subsidiary of the Group is required to set aside a minimum amount of specified percentage of profits annually before distribution of dividends, in accordance with the local regulations. No further transfer is required when the reserve reaches certain percentage of the issued capital of the subsidiary. The statutory reserve can be utilised in the circumstances stipulated in the regulations.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 16 NON-CURRENT BORROWINGS

Particulars	₹ Crores	
	2024	2023
<b>Carried at amortised cost :</b>		
<b>Secured :</b>		
Term Loan From Banks (Refer note 16.1 & 16.2)	45.68	89.06
<b>Total</b>	<b>45.68</b>	<b>89.06</b>

Current maturities in respect of long term borrowings have been included in Note 22 are as under :

Particulars	₹ Crores	
	2024	2023
Term Loan From Banks	37.99	31.99
<b>Total</b>	<b>37.99</b>	<b>31.99</b>

Notes :

16.1 Term loans from banks taken by Parent company are secured by first pari passu charge created by mortgage of immovable properties located at Taloja and specified properties located at Tarapur and movable fixed assets at these locations.

Term loans from Banks in relation to a subsidiary company are secured by a corporate guarantee given by the Ultimate Holding Company.

16.2 The borrowings carry varying rates of interest upto 8.64% p.a. (2022-23 : upto 8.90% p.a.) and have maturities starting from 2025 and ending with 2027.

## 17 LEASE LIABILITIES

Particulars	₹ Crores			
	2024		2023	
	Current	Non-Current	Current	Non-Current
Lease Liabilities (Refer Note 17.2)	8.43	47.33	8.42	47.15
<b>Total</b>	<b>8.43</b>	<b>47.33</b>	<b>8.42</b>	<b>47.15</b>

Notes :

17.1 The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

17.2 The following is the movement in lease liabilities during the year:

Particulars	₹ Crores	
	2024	2023
<b>Opening Balance</b>	<b>55.57</b>	<b>54.70</b>
Add : Additions (Refer Note 3.2)	8.46	7.06
Add : Finance cost accrued during the period	1.81	1.72
Less : Deletions	-	(3.01)
Less : Payment of lease liabilities	(10.74)	(8.75)
Add/Less : Foreign Exchange Translation Difference	0.66	3.85
<b>Closing Balance</b>	<b>55.76</b>	<b>55.57</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 18 OTHER FINANCIAL LIABILITIES

Particulars	₹ Crores			
	2024		2023	
	Current	Non-Current	Current	Non-Current
<b>Carried at amortised cost:</b>				
Interest accrued on borrowings	0.31	-	0.57	-
Unclaimed dividends (Refer Note 18.1)	0.83	-	0.93	-
Security Deposits	3.51	0.32	3.03	0.33
Other liabilities (Refer Note 18.2)	7.85	-	2.83	-
	<b>12.50</b>	<b>0.32</b>	<b>7.36</b>	<b>0.33</b>
<b>Derivatives financial instruments not designated as hedging instruments carried at fair value through Profit &amp; Loss</b>				
Derivative financial instruments	0.40	-	-	-
	<b>0.40</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>12.90</b>	<b>0.32</b>	<b>7.36</b>	<b>0.33</b>

Notes :

18.1 There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 at the year end.

18.2 Other liabilities mainly include creditors for capital goods, etc.

## 19 PROVISIONS

Particulars	₹ Crores			
	2024		2023	
	Current	Non-Current	Current	Non-Current
Compensated Absences	1.62	7.73	1.44	6.02
Gratuity	3.68	-	4.20	0.05
Claims Payable (Refer Note 19.1)	0.53	-	0.52	-
<b>Total</b>	<b>5.83</b>	<b>7.73</b>	<b>6.16</b>	<b>6.07</b>

Note :

19.1 Movement of Claims Payable is as below:

Particulars	₹ Crores			
	2024		2023	
	Current	Non-Current	Current	Non-Current
Opening Balance	0.52	-	2.27	-
Add - Addition during the year	-	-	-	-
Less - Deduction during the year	-	-	(1.75)	-
Add/Less : Foreign Exchange Translation Difference	0.01	-	-	-
<b>Total Closing Balance</b>	<b>0.53</b>	<b>-</b>	<b>0.52</b>	<b>-</b>

The Group has made provision for claims based on its assessment of the amount it estimates to incur to meet such obligations, the outflow of which would depend on settlement / conclusion of these matters or cessation of the respective events.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 20 DEFERRED TAX LIABILITIES (NET)

Particulars	₹ Crores	
	2024	2023
Deferred tax liabilities (Refer Note 20.1)	29.65	28.34
<b>Total</b>	<b>29.65</b>	<b>28.34</b>

Note:

20.1 Movement In Deferred tax Liabilities:

Particulars	₹ Crores			
	On Fiscal allowances on fixed assets	On Provision for employee benefits	On Others	Total
<b>Deferred tax liabilities/ (assets) As at 1<sup>st</sup> April, 2022</b>	<b>29.28</b>	<b>(3.14)</b>	<b>(1.24)</b>	<b>24.90</b>
Charge/ (credit) to Statement of Profit and Loss	4.30	0.35	(1.17)	<b>3.48</b>
Charge/ (credit) to Other comprehensive income	-	(0.04)	-	<b>(0.04)</b>
<b>Deferred tax liabilities/ (assets) As at 31<sup>st</sup> March, 2023</b>	<b>33.58</b>	<b>(2.83)</b>	<b>(2.41)</b>	<b>28.34</b>
Charge/ (credit) to Statement of Profit and Loss	2.69	1.30	(1.13)	<b>2.86</b>
Charge/ (credit) to Other comprehensive income	-	(1.55)	-	<b>(1.55)</b>
<b>Deferred tax liabilities/ (assets) As at 31<sup>st</sup> March, 2024</b>	<b>36.27</b>	<b>(3.08)</b>	<b>(3.54)</b>	<b>29.65</b>

## 21 OTHER LIABILITIES

Particulars	₹ Crores			
	2024		2023	
	Current	Non-Current	Current	Non-Current
Advances received from customers	25.03	-	26.80	-
Deferred revenue income under EPCG scheme	0.12	1.62	0.10	0.99
Others (Refer note no 21.1)	18.69	-	12.67	-
<b>Total</b>	<b>43.84</b>	<b>1.62</b>	<b>39.57</b>	<b>0.99</b>

Note :

21.1 Others mainly include government dues & taxes payable, salary deductions payable, etc.

## 22 CURRENT BORROWINGS

Particulars	₹ Crores	
	2024	2023
<b>Secured (Carried at amortised cost) :</b>		
<b>Working Capital Loan</b>		
Packing credit loan from banks (Refer Note 22.1)	40.99	80.43
Bank Overdraft (Refer Note 22.2)	7.00	70.32
Current maturities of long-term borrowings (Refer Note 16.1 & 16.2)	37.99	31.99
<b>Total</b>	<b>85.98</b>	<b>182.74</b>

Notes :

22.1 Packing credit loan from banks are secured by first pari passu charge created by hypothecation of current assets, both present & future.

22.2 Bank overdrafts in respect of subsidiary companies are secured by insurance policies on the inventories.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 23 TRADE PAYABLES

Particulars	₹ Crores	
	2024	2023
<b>Carried at amortised cost</b>		
Total outstanding dues of Micro and Small Enterprises (Refer Note 23.1)	11.75	10.75
Total outstanding dues of creditors other than Micro and Small Enterprises	434.37	419.44
<b>Total</b>	<b>446.12</b>	<b>430.19</b>

Notes :

23.1 The information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. No interest in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 or otherwise has either been paid or payable or accrued and remaining unpaid as at 31<sup>st</sup> March, 2024.

### 23.2 Trade payables Ageing Schedule

**As at 31<sup>st</sup> March, 2024**

Particulars	₹ Crores					Total
	Current but not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total undisputed outstanding dues of Micro Enterprises and Small Enterprises	11.13	0.62	-	-	-	11.75
Total undisputed outstanding dues of creditors other than Micro Enterprises and Small Enterprises	408.77	25.02	0.24	0.31	0.03	434.37
<b>Total</b>	<b>419.90</b>	<b>25.64</b>	<b>0.24</b>	<b>0.31</b>	<b>0.03</b>	<b>446.12</b>

**As at 31<sup>st</sup> March, 2023**

Particulars	₹ Crores					Total
	Current but not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total undisputed outstanding dues of Micro Enterprises and Small Enterprises	9.69	1.06	-	-	-	10.75
Total undisputed outstanding dues of creditors other than Micro Enterprises and Small Enterprises	408.98	9.67	0.51	0.03	0.25	419.44
<b>Total</b>	<b>418.67</b>	<b>10.73</b>	<b>0.51</b>	<b>0.03</b>	<b>0.25</b>	<b>430.19</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 24 REVENUE FROM OPERATIONS

Particulars	₹ Crores	
	2023-24	2022-23
<b>Revenue from contracts with customers</b>		
Sale of products	3,764.73	4,429.00
<b>Other operating revenue</b>		
Scrap Sales	4.00	4.38
Government Grant and Incentives (including export benefits)	25.65	30.65
<b>Total</b>	<b>3,794.38</b>	<b>4,464.03</b>

Notes :

24.1 Refer note 38 for geography wise revenue from contracts with customers.

## 25 OTHER INCOME

Particulars	₹ Crores	
	2023-24	2022-23
<b>Interest Income</b>		
On Financial Assets at amortised cost	8.80	2.00
On Non Financial assets	0.22	0.18
<b>Dividend Income</b>		
On Financial Assets measured at Fair value through Profit or Loss	4.56	-*
<b>Other Non - Operating Income</b>		
Gain/(Loss) on sale/retirement of Property, Plant and Equipment (Net)	(1.44)	(0.94)
Impairment Reversal in Property, Plant and Equipment	1.33	0.22
Liabilities/Provision no longer required written back	-*	1.97
Foreign exchange differences (Net)	19.49	3.42
Commission received	-	0.01
Others (Refer Note 25.1)	2.50	2.99
<b>Total</b>	<b>35.46</b>	<b>9.85</b>

Notes :

25.1 Other income includes insurance claim received, interest subvention, etc.

\*Figures less than ₹ 50,000.

## 26 COST OF MATERIALS CONSUMED

Particulars	₹ Crores	
	2023-24	2022-23
Raw materials	2,403.04	2,884.65
Packing materials	92.09	86.76
<b>Total</b>	<b>2,495.13</b>	<b>2,971.41</b>

## 27 PURCHASES OF STOCK-IN-TRADE

Particulars	₹ Crores	
	2023-24	2022-23
Purchases of Stock-in-trade	52.23	73.78
<b>Total</b>	<b>52.23</b>	<b>73.78</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 28 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	₹ Crores	
	2023-24	2022-23
<b>Opening Stock :</b>		
Finished goods	154.98	164.74
Work-in-progress	91.77	121.11
Stock-in-trade	114.95	114.33
	<b>361.70</b>	<b>400.18</b>
<b>Less: Closing Stock :</b>		
Finished goods	(176.99)	(154.98)
Work-in-progress	(92.62)	(91.77)
Stock-in-trade	(63.96)	(114.95)
	<b>(333.57)</b>	<b>(361.70)</b>
Foreign currency translation difference	2.50	16.41
<b>Net (increase) / decrease in inventory</b>	<b>30.63</b>	<b>54.89</b>

## 29 EMPLOYEE BENEFIT EXPENSES

Particulars	₹ Crores	
	2023-24	2022-23
Salaries and wages, including bonus	232.09	210.99
Contribution to provident and other funds	16.30	15.02
Workmen and staff welfare expenses	27.07	22.04
<b>Total</b>	<b>275.46</b>	<b>248.05</b>

## 30 FINANCE COSTS

Particulars	₹ Crores	
	2023-24	2022-23
Interest expense	17.92	18.35
Other borrowing cost (Refer Note 30.2)	4.48	3.35
<b>Total</b>	<b>22.40</b>	<b>21.70</b>

Notes :

30.1 The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 8.41% (2022-23 : 7.78%).

30.2 Finance Cost during current year includes interest on lease liabilities amounting to ₹ 1.81 Crores (2022-23: ₹ 1.72 Crores).

## 31 DEPRECIATION, AMORTISATION AND IMPAIRMENT EXPENSES

Particulars	₹ Crores	
	2023-24	2022-23
Depreciation on Property, Plant and Equipment	87.02	72.07
Amortisation of Other Intangible Assets	2.21	2.15
Amortisation of Right of Use Asset	10.58	9.13
Impairment of Property, Plant and Equipment (Refer Note 2.5)	-	0.13
<b>Total</b>	<b>99.81</b>	<b>83.48</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 32 OTHER EXPENSES

Particulars	₹ Crores	
	2023-24	2022-23
Power and fuel	71.90	72.23
Water charges	1.86	1.98
Repairs and maintenance	28.88	29.13
Consumption of stores, spares & consumables	26.98	24.82
Rates and taxes	10.70	14.04
Insurance	19.35	17.96
Freight and forwarding	159.56	246.99
Travelling and conveyance	23.36	19.54
Discount and commission on sales	2.14	2.07
Bad Debts and allowance for Doubtful Debts	0.93	1.93
Royalty	0.33	0.14
"REACH" registration expenses (Net)	0.59	(0.01)
CSR expenditure	4.90	4.45
Donations	0.08	0.02
Directors' sitting fees	0.82	0.52
Commission to non-executive directors	0.87	0.72
Rent (including storage charges)	20.95	19.38
Legal and professional fees	31.13	26.62
Allowance for doubtful advances	-	4.05
Miscellaneous expenses	73.38	61.04
<b>Total</b>	<b>478.71</b>	<b>547.62</b>

## 33 INCOME TAX RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS

Particulars	₹ Crores	
	2023-24	2022-23
<b>Current Tax</b>		
In respect of current year	73.71	93.48
In respect of prior years	(0.64)	(2.22)
	<b>73.07</b>	<b>91.26</b>
<b>Deferred Tax</b>		
In respect of current year origination and reversal of temporary differences	1.15	1.05
In respect of prior years	(0.22)	(0.34)
	<b>0.93</b>	<b>0.71</b>
<b>Total tax expense</b>	<b>74.00</b>	<b>91.97</b>

## 34 INCOME TAX (RECOGNISED)/CREDITED IN OTHER COMPREHENSIVE INCOME

Particulars	₹ Crores	
	2023-24	2022-23
<b>Deferred tax related to items (recognised)/credited in Other Comprehensive Income during the year</b>		
Remeasurement of defined benefit obligations	1.55	0.04
<b>Total</b>	<b>1.55</b>	<b>0.04</b>
<b>Classification of income tax (recognised)/credited in Other Comprehensive Income</b>		
Income taxes related to items that will not be reclassified to profit or loss	1.55	0.04
<b>Total</b>	<b>1.55</b>	<b>0.04</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 35 EARNINGS PER SHARE (EPS)

Particulars	2023-24	2022-23
Profit for the year (₹ In Crores)	301.47	380.98
Weighted average number of Ordinary (Equity) Shares used in computing basic & diluted EPS	3,54,54,752	3,54,54,752
Basic/Diluted Earnings per share (₹) (Face value of ₹ 10 per share)	85.03	107.46

## 36 THE RECONCILIATION OF ESTIMATED INCOME TAX EXPENSES AT TAX RATE TO INCOME TAX EXPENSE REPORTED IN THE STATEMENT OF PROFIT AND LOSS IS AS FOLLOWS

Particulars	2023-24	2022-23
Profit before tax	375.47	472.95
Applicable Income tax rate	25.17%	25.17%
Expected income tax expense	94.51	119.04
<b>Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses</b>		
- Difference in tax rates of subsidiary companies	(19.58)	(22.75)
- Effect of concessions and allowances	(1.60)	(3.03)
- Effect of expenses/provision not deductible in determining taxable profit	1.25	1.13
- Impact on account of Prior Years Taxation	(0.86)	(2.45)
- Others	0.28	0.03
<b>Reported income tax expenses</b>	<b>74.00</b>	<b>91.97</b>

## 37 THE AMOUNT AND EXPIRY DATE OF UNUSED CAPITAL LOSSES FOR WHICH NO DEFERRED TAX ASSET IS RECOGNISED IN THE BALANCE SHEET

Assessment Year	2024	2023	Available Up to A.Y.
2020-21	12.32	12.32	2028-29
2024-25	1.48	-	2032-33

## 38 SEGMENT INFORMATION

The operating segments have been reported in a manner consistent with the internal reporting provided to the Board of Directors, who are the Chief Operating Decision Makers. They are responsible for allocating resources and assessing the performance of operating segments. Accordingly, the reportable segments is only one segment i.e. home and personal care ingredients.

### Revenue from Type of Product and Services

There is only one operating segment of the Group which is based on nature of product. Hence the revenue from external customers shown under geographical information is representative of revenue based on product and services.

### Geographical Information

Particulars	2024			2023		
	India	Overseas	Total	India	Overseas	Total
Revenue From External Customers	1,525.29	2,239.44	<b>3,764.73</b>	1,734.23	2,694.77	<b>4,429.00</b>
Non Current Assets*	841.58	347.28	<b>1,188.86</b>	747.55	363.87	<b>1,111.42</b>

\* includes property plant and equipment, right of use asset, capital work-in-progress, goodwill, other intangible assets, Income Tax Assets (net) and other non-current assets.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## Information about major customers

During the year ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 respectively, Revenue from transaction with a single external customer did not amount to 10% or more of the companies revenue from external customers.

## 39 DETAILS OF RESEARCH & DEVELOPMENT

Research and Development expenses for the year amount to ₹ 30.84 Crores (2022-23: ₹ 27.47 Crores) debited to the statement of profit & loss.

## 40 CONTINGENT LIABILITY AND COMMITMENTS

### (A) Contingent liability

Particulars	₹ Crores	
	2023-24	2022-23
Claims against the Group not acknowledged as debts comprise of claims disputed by the group relating to issues of applicability, classification, deductibility, etc.		
- Excise duty & Service tax	7.27	7.27
- Income tax	1.41	0.97
- Sales tax & GST	3.46	3.77
- Custom duty	62.65	42.11

Note:

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

### (B) Commitments

Estimated amount of contracts remaining to be executed of Property, Plant & Equipments (net of advances) and not provided for ₹ 68.99 Crores (2022-23: ₹ 60.08 Crores).

Estimated amount of contracts remaining to be executed of Other Intangible assets (net of advances) and not provided for ₹ 0.20 Crores (2022-23: ₹ 0.75 Crores).

## 41 RELATED PARTY DISCLOSURES :

### (a) Key Management Personnel (KMP)

Sr. No.	Name of the Person	Relation	Relative Name
1	Mr. U. Shekhar Non-Executive Director w.e.f. 18 <sup>th</sup> February, 2024 Managing Director till 17 <sup>th</sup> February, 2024	Wife	Mrs. Lakshmy Shekhar
		Son	Mr. Karthik Shekhar
		Daughter	Ms. Nandini Shekhar
		Brother	Mr. Shridhar Unnathan
2	Mr. K. Natarajan Managing Director w.e.f. 18 <sup>th</sup> February, 2024 Executive Director & Chief Operating Officer till 17 <sup>th</sup> February, 2024	Wife	Mrs. Parvathy Natarajan
		Daughter	Ms. Pavithra Natarajan
		Daughter	Ms. Namrata Natarajan
3	Mr. K. Ganesh Kamath (till 6 <sup>th</sup> October, 2022) Executive Director (Finance) & Chief Financial Officer		
4	Mr. Vaijanath Kulkarni Executive Director & Chief Operating Officer	Wife	Mrs. Bhagyashree Vaijanath Kulkarni
		Son	Mr. Shaunak Vaijanath Kulkarni
		Son	Mr. Chinmay Vaijanath Kulkarni
5	Mr. Abhijit Damle (w.e.f. 1 <sup>st</sup> July, 2022) Chief Financial Officer	Wife	Mrs. Shilpa Damle
		Daughter	Ms. Anushka Damle

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## (b) Enterprise over which KMP is able to exercise significant influence :

Sr. No.	Name of the Company	Sr. No.	Name of the Company
1	Galaxy Emulsifiers Private Limited	5	Galaxy Estates & Holdings [Partnership Firm]
2	Galaxy Finsec Private Limited	6	Galaxy Investments [Partnership Firm]
3	Osmania Traders Private Limited	7	Shubh Estates & Properties [Partnership Firm]
4	Galaxy Chemicals [Partnership Firm]		

## (c) The related party transactions are as under :

₹ Crores

Sr. No.	Nature of Transactions	Entities where Key Management Personnel can exercise significant influence		Key Management Personnel		Relatives of Key Management Personnel	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>1</b>	<b>MANAGERIAL REMUNERATION (Refer Note 41.1)</b>						
	U. Shekhar (till 17 <sup>th</sup> February, 2024)						
	Short-term employee benefits	-	-	2.75	2.00	-	-
	Other Long-term employee benefits	-	-	0.17	-	-	-
	Post-employment employee benefits	-	-	2.03	-	-	-
	K. Natarajan						
	Short-term employee benefits	-	-	2.98	2.00	-	-
	K. Ganesh Kamath (till 6 <sup>th</sup> October, 2022)						
	Short-term employee benefits	-	-	0.48	1.16	-	-
	Other Long-term employee benefits	-	-	-	0.21	-	-
	Post-employment employee benefits	-	-	-	0.91	-	-
	Vaijanath Kulkarni						
	Short-term employee benefits	-	-	2.93	1.96	-	-
	Abhijit Damle (w.e.f. 1 <sup>st</sup> July, 2022)						
	Short-term employee benefits	-	-	1.05	0.63	-	-
<b>2</b>	<b>DIVIDENDS DISTRIBUTED</b>						
	Galaxy Chemicals	3.10	27.91	-	-	-	-
	Galaxy Emulsifiers Pvt. Ltd.	0.22	1.95	-	-	-	-
	U. Shekhar (till 17 <sup>th</sup> February, 2024)	-	-	1.69	15.22	-	-
	K. Natarajan	-	-	-*	0.03	-	-
	K. Ganesh Kamath (till 6 <sup>th</sup> October, 2022)	-	-	-	0.04	-	-
	Vaijanath Kulkarni	-	-	0.01	0.09	-	-
	Abhijit Damle (w.e.f. 1 <sup>st</sup> July, 2022)	-	-	-*	-*	-	-
	Lakshmy Shekhar	-	-	-	-	0.05	0.46
	Shridhar Unnathan	-	-	-	-	0.02	0.16

All Related Party Transactions entered during the year were in ordinary course of the business.

Notes :

41.1 As the liabilities for defined benefit plans are provided on the basis of report of actuary for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

41.2 Includes commission on the basis of payments made during the year.

\* Figures less than ₹ 50,000.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 42 EMPLOYEE BENEFITS

### a. Defined contribution plan

The Parent Company makes contributions towards Provident Fund, Employee's State Insurance Corporation (ESIC) for qualifying employees. The Parent Company has recognised ₹ 7.35 Crores (2022-23: ₹ 6.62 Crores) for the year being Company's contribution to Provident Fund and ESIC, as an expense and included in Employee Benefits Expense in the Statement of Profit and Loss.

The Subsidiaries make contributions towards 401K & Social security for qualifying employees. The subsidiaries have recognised ₹ 7.20 Crores (2022-23: ₹ 6.52 Crores) for the year being Subsidiaries contribution to 401K & Social security, as an expense and included in Employee Benefits Expense in the Statement of Profit and Loss.

### b. Defined benefit plan

#### Gratuity plan

Gratuity is payable to all eligible employees of the Parent Company on separation from the service, in terms of the provisions of the "Gratuity Act, 1972" and employment contracts entered into by the Parent Company. Under the gratuity plan, every employee who has completed at least 5 years of service gets a gratuity at 15 days of last drawn salary for each completed year of service. The Parent Company makes an annual contribution to the group gratuity scheme administered by the insurance companies.

Through its gratuity plans the Company is exposed to a number of risks, the most significant of which are detailed below:

#### Interest risk

A decrease in the bond interest rate will increase the plan liability and will decrease the return on the plan's assets.

#### Salary risk

The present value of the Gratuity liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

#### Investment risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

#### Gratuity as per actuarial valuation

Particulars	₹ Crores	
	As at 31 <sup>st</sup> March Funded Plan Gratuity	
	2024	2023
<b>I Expense recognised in the Statement of Profit and Loss for the year ended</b>		
1 Current service cost	2.04	1.88
2 Interest cost on benefit obligation (net)	0.32	0.41
3 Net value of remeasurements on the obligation and plan assets	-	-
4 Past service cost and loss/(Gain) on curtailments and settlement	-	-
5 Total expenses included in employee benefits expense	<b>2.36</b>	<b>2.29</b>
<b>II Recognised in other comprehensive income for the year</b>		
1 Actuarial (gains)/ losses arising from changes in financial assumption	5.39	(0.64)
2 Actuarial (gains)/ losses arising from changes in experience adjustment	1.25	0.87
3 Actuarial (gains)/ losses arising from changes in demographic adjustment	-	(0.02)
4 Return on plan asset	(0.50)	(0.06)
5 Recognised in other comprehensive income	<b>6.14</b>	<b>0.15</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

₹ Crores

Particulars	As at 31 <sup>st</sup> March Funded Plan Gratuity	
	2024	2023
<b>III Change in the present value of defined benefit obligation</b>		
1 Present value of defined benefit obligation at the beginning of the year	30.35	29.20
2 Current service cost	2.04	1.88
3 Interest cost/(income)	2.28	2.11
4 Remeasurements (gains)/ losses		
(I) Actuarial (gains)/ losses arising from changes in demographic assumption	-	(0.02)
(II) Actuarial (gains)/ losses arising from changes in financial assumption	5.39	(0.64)
(III) Actuarial (gains)/ losses arising from changes in experience adjustment	1.25	0.87
5 Past Service cost	-	-
6 Benefits paid#	(3.97)	(3.05)
7 Liabilities assumed/(settled)	-	-
8 Present value of defined benefit obligation at the end of the year	<b>37.34</b>	<b>30.35</b>
<b>IV Change in fair value of plan assets during the year</b>		
1 Fair value of plan assets at the beginning of the year	26.10	23.55
2 Interest income	1.96	1.70
3 Contribution by employer	7.04	3.84
4 Benefits paid	(1.94)	(3.05)
5 Remeasurements (gains)/ losses		
(I) Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
(II) Actuarial (gains)/ losses arising from changes in financial assumption	-	-
(III) Actuarial (gains)/ losses arising from changes in experience adjustment	-	-
6 Return on plan assets excluding interest income	0.50	0.06
7 Fair value of plan assets at the closing of the year	<b>33.66</b>	<b>26.10</b>
<b>V Net Asset/(Liability) recognised in the Balance Sheet</b>		
1 Present value of defined benefit obligation as at 31 <sup>st</sup> March	37.34	30.35
2 Fair value of plan assets as at 31 <sup>st</sup> March	33.66	26.10
3 Surplus/(Deficit)	(3.68)	(4.25)
4 Current portion of the above	3.68	4.20
5 Non-current portion of the above	-	0.05
<b>VI Actuarial assumptions</b>		
1 Discount rate	7.23%	7.50%
2 Attrition rate	Between 11.5% to 3.8% based on service of employee	Between 12% to 4% based on service of employee
3 Average salary escalation rate	9.00%	7.50%
4 Mortality table used	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
<b>VII Major Category of Plan Assets as a % of the Total Plan Assets</b>		
1 Insurer managed funds *	100%	100%
* In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.		
<b>VIII The expected contributions to the plan for the next annual reporting period</b>	3.68	4.20
<b>IX Quantitative sensitivity analysis for significant assumption is as below</b>		
The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Gratuity obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Gratuity Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.		
1 Discount rate varied by +1%	34.11	28.19

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

		₹ Crores	
Particulars		As at 31 <sup>st</sup> March	
		Funded Plan	Gratuity
		2024	2023
2	Discount rate varied by -1%	41.12	32.86
3	Salary growth rate varied by +1%	41.02	32.84
4	Salary growth rate varied by -1%	34.13	28.17
5	Withdrawal rate (W.R.) varied by + 1%	36.83	30.33
6	Withdrawal rate (W.R.) varied by - 1%	37.90	30.38
<b>X</b>	<b>Maturity profile of defined benefit obligation</b>		
1	Year 1	2.46	2.66
2	Year 2	2.36	3.39
3	Year 3	2.63	3.90
4	Year 4	2.10	2.15
5	Year 5	3.30	1.79
6	Years 6-10	15.66	11.75
7	11 Years and above	61.39	40.28

The current service cost and net interest cost for the year pertaining to Gratuity expenses have been recognised in "Contribution to Provident and other funds" in the statement of Profit and loss account (Refer Note 29). The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

# Includes benefits of ₹ 2.03 Crores (2022-23 ₹ Nil Crores) paid by the Company.

## 43 CAPITAL MANAGEMENT

The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Group is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, customer, creditors and market confidence.

The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders. The Group may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

		₹ Crores	
Particulars		2024	2023
		Short term debt	47.99
Long term debt	83.67	121.05	
<b>Total</b>	<b>131.66</b>	<b>271.80</b>	
Equity	2,179.25	1,882.55	
Long term debt to equity	0.04	0.06	
Total debt to equity	0.06	0.14	

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 44 CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	₹ Crores	
	2024	2023
<b>A) Financial assets</b>		
<b>a) Measured at amortised cost</b>		
i) Cash and Cash equivalents	220.46	231.87
ii) Bank Balances other than Cash and Cash Equivalents	18.83	15.70
iii) Loans	1.98	1.31
iv) Trade Receivable	593.09	614.80
v) Other Financial Assets	24.44	22.38
<b>Sub-Total</b>	<b>858.80</b>	<b>886.06</b>
<b>b) Measured at fair value through Profit and Loss</b>		
i) Investment in Mutual Fund	198.03	-
<b>Sub-Total</b>	<b>198.03</b>	<b>-</b>
<b>c) Derivative measured at fair value through Profit and Loss</b>		
i) Derivative instruments not designated as hedging instruments	-	0.09
<b>Sub-Total</b>	<b>-</b>	<b>0.09</b>
<b>Total Financial Assets</b>	<b>1,056.83</b>	<b>886.15</b>
<b>B) Financial liabilities</b>		
<b>a) Measured at amortised cost</b>		
i) Non-current Borrowings	45.68	89.06
ii) Current Borrowings	85.98	182.74
iii) Lease Liabilities	55.76	55.57
iv) Trade Payables	446.12	430.19
v) Other Financial Liability	12.82	7.69
<b>Sub-Total</b>	<b>646.36</b>	<b>765.25</b>
<b>b) Derivatives measured at fair value through Profit and Loss</b>		
i) Derivative instruments not designated as hedging instruments	0.40	-
<b>Sub-Total</b>	<b>0.40</b>	<b>-</b>
<b>Total Financial Liabilities</b>	<b>646.76</b>	<b>765.25</b>

## 45 FINANCIAL RISK MANAGEMENT FRAMEWORK

The Group has formulated and implemented a policy on risk management, as approved by the Board, so as to develop an approach to identify, assess and manage the various risks associated with our business activities in a systematic manner. The policy lays down guiding principles on proactive planning for identifying, analysing and mitigating material risks, both external and internal, and covering operational, financial and strategic risks. After risks have been identified, risk mitigation solutions are determined to bring risk exposure levels in line with risk appetite. The Group's risk management policies and systems are reviewed regularly to reflect changes in market conditions and our business activities. The Group's business activities are exposed to a variety of financial risks, namely Credit risk, Liquidity risk, Currency risk, Interest rate risk and Commodity price risk.

### A) MARKET RISK

The Group's size and operations result in it being exposed to the market risks that arise from its use of financial instruments namely Currency risk, Interest risks and Commodity price risk. These risks may affect the Groups's income and expenses, or the value of its financial instruments. The Group's exposure to and management of these risks are explained below.

#### a) Interest Rate Risk

Interest rate risk results from changes in prevailing market interest rates, which can cause changes in the interest payments of the variable-rate instruments. Our operations are funded to a certain extent by borrowings. Our current loan facilities carry interest at variable rates. The management is responsible for the monitoring of the Group's interest rate position. Various

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

variables are considered by the management in structuring the Group's borrowings to achieve a reasonable, competitive cost of funding.

## b) Commodity Risk

The Group is exposed to the price risk associated with purchasing of the raw materials. The Group typically do not enter into formal long term arrangements with our vendors. Therefore, fluctuations in the price and availability of raw materials may affect the Group's business and results of operations. Management reviews the commodity price risk regularly to avoid material impact on profitability of the Group. There are no direct commodity derivatives available to hedge the price risk associated with the major raw material.

## c) Currency Risk

The Group is exposed to exchange rate risk as a significant portion of our revenues and expenditure are denominated in foreign currencies. We import certain raw materials, the price of which we are required to pay in foreign currency, which is mostly the U.S. Dollar or Euro. Products that we export are paid for in foreign currency, which together acts as a natural hedge. Any appreciation/depreciation in the value of the Rupee against U.S. dollar, Euro or other foreign currencies would increase/decrease the Rupee value of debtors/ creditors. To a certain extent the Group uses foreign exchange forward contracts to minimise the risk.

**The carrying amount of the Group's foreign currency exposure at the end of the reporting periods are as follows**

						In Crores
Particulars	US Dollar	Indian ₹	Euro	Indian ₹	Others (₹)	Total
<b>As at 31<sup>st</sup> March, 2024</b>						
Borrowings	(0.03)	(2.50)	(0.06)	(5.49)	(5.05)	<b>(13.04)</b>
Trade Receivables & Other financial assets	1.71	142.90	0.31	27.41	10.47	<b>180.78</b>
Trade Payables & Other financial liabilities	(2.32)	(193.45)	(0.01)	(0.47)	(10.21)	<b>(204.13)</b>
<b>Total</b>	<b>(0.64)</b>	<b>(53.05)</b>	<b>0.24</b>	<b>21.45</b>	<b>(4.79)</b>	<b>(36.39)</b>
<b>As at 31<sup>st</sup> March, 2023</b>						
Borrowings	(0.20)	(16.53)	(0.16)	(14.06)	(20.35)	<b>(50.94)</b>
Trade Receivables & Other financial assets	1.59	130.25	0.32	28.98	15.26	<b>174.49</b>
Trade Payables & Other financial liabilities	(2.68)	(219.88)	-*	(0.27)	(13.70)	<b>(233.85)</b>
<b>Total</b>	<b>(1.29)</b>	<b>(106.16)</b>	<b>0.16</b>	<b>14.65</b>	<b>(18.79)</b>	<b>(110.30)</b>

**Of the above foreign currency exposures, the unhedged exposures as at the end of the reporting periods are as follows**

						In Crores
Particulars	US Dollar	Indian ₹	Euro	Indian ₹	Others (₹)	Total (₹)
<b>As at 31<sup>st</sup> March, 2024</b>						
Borrowings	(0.03)	(2.50)	(0.06)	(5.49)	(5.05)	<b>(13.04)</b>
Trade Receivables & Other financial assets	0.27	22.39	0.16	14.67	10.47	<b>47.53</b>
Trade Payables & Other financial liabilities	(2.32)	(193.45)	(0.01)	(0.47)	(10.21)	<b>(204.13)</b>
<b>Total</b>	<b>(2.08)</b>	<b>(173.56)</b>	<b>0.09</b>	<b>8.71</b>	<b>(4.79)</b>	<b>(169.64)</b>
<b>As at 31<sup>st</sup> March, 2023</b>						
Borrowings	(0.20)	(16.53)	(0.16)	(14.06)	(20.35)	<b>(50.94)</b>
Trade Receivables & Other financial assets	1.35	110.83	0.19	16.91	15.26	<b>143.00</b>
Trade Payables & Other financial liabilities	(2.45)	(201.40)	-*	(0.27)	(13.70)	<b>(215.37)</b>
<b>Total</b>	<b>(1.30)</b>	<b>(107.10)</b>	<b>0.03</b>	<b>2.58</b>	<b>(18.79)</b>	<b>(123.31)</b>

\*Figures less than 50,000

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## B) Credit Risk Management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Group is exposed to credit risk from our operating activities, primarily from trade receivables. The Group's customer base majorly has creditworthy counterparties which limits the credit risk. The Group's exposures are continuously monitored and wherever necessary Group take advances/LC's to minimise the risk.

### a) Trade Receivables and Advances

The Group applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables/Advances. The Group has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Group. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses. Based on such information the group has evaluated that there is no provision required under expected credit loss model. Further, the Group reviews on a periodic basis all receivables/advances having commercial/legal issues which require resolution against which specific provisions are made when found necessary.

### Reconciliation of expected credit loss allowance for Trade Receivables

Particulars	₹ Crores	
	Year Ended 31 <sup>st</sup> March	
	2024	2023
<b>Balance as at beginning of the year</b>	1.89	0.35
Additions during the year	1.44	1.82
Amounts reversed/written off during the year	(0.99)	(0.34)
Foreign currency translation difference	0.04	0.06
<b>Balance at end of the year</b>	<b>2.38</b>	<b>1.89</b>

### b) Other Financial Assets

In respect of other financial assets, the maximum exposure to credit risk at the end of the reporting period approximates the carrying amount of each class of financial assets.

## C) LIQUIDITY RISK

### Liquidity risk management

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure that we have sufficient liquidity or access to funds to meet our liabilities when they are due.

### Maturity profile of financial liabilities

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Particulars	₹ Crores				
	Carrying amount in Balance sheet	Less than 1 Year	2 <sup>nd</sup> and 3 <sup>rd</sup> Year	4 <sup>th</sup> and 5 <sup>th</sup> Year	Above 5 years
<b>As at 31<sup>st</sup> March, 2024</b>					
Short term borrowings	47.99	47.99	-	-	-
Long term borrowings	83.67	37.99	39.97	5.71	-
Lease Liabilities	55.76	8.43	14.89	13.69	18.75
Trade payables	446.12	446.12	-	-	-
Other Financial Liabilities	13.22	12.90	-	-	0.32
<b>Total</b>	<b>646.76</b>	<b>553.43</b>	<b>54.86</b>	<b>19.40</b>	<b>19.07</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

₹ Crores

Particulars	Carrying amount in Balance sheet	Less than 1 Year	2 <sup>nd</sup> and 3 <sup>rd</sup> Year	4 <sup>th</sup> and 5 <sup>th</sup> Year	Above 5 years
<b>As at 31<sup>st</sup> March, 2023</b>					
Short term borrowings	150.75	150.75	-	-	-
Long term borrowings	121.05	37.32	60.87	22.86	-
Lease Liabilities	55.57	8.41	12.59	11.30	23.27
Trade payables	430.19	430.19	-	-	-
Other Financial Liabilities	7.69	7.36	-	-	0.33
<b>Total</b>	<b>765.25</b>	<b>634.03</b>	<b>73.46</b>	<b>34.16</b>	<b>23.60</b>

## 46 SENSITIVITY ANALYSIS

### A) Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant.

₹ Crores

Particulars	Currency	Change in rate	Effect on Profit Before Tax	Effect on pre-tax equity
Year ended 31 <sup>st</sup> March, 2024	USD	+1%	(0.36)	-
	EUR	+1%	0.09	-
Year ended 31 <sup>st</sup> March, 2023	USD	+1%	(0.13)	-
	EUR	+1%	0.02	-

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

The sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

### (B) Interest Rate sensitivity

The sensitivity analysis below have been determined based on exposure to interest rate for both long term & short term borrowings.

The following table demonstrates the sensitivity in interest rates on that portion of loans and borrowings which are not hedged, with all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ Crores

Particulars	Currency	Increase in basis points	Effect on profit before tax	Effect on pre-tax equity
Year ended 31 <sup>st</sup> March, 2024	INR	+25 bps	(0.63)	-
Year ended 31 <sup>st</sup> March, 2023	INR	+25 bps	(0.84)	-

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

## 47 OFFSETTING OF BALANCES

The Group has not offset financial assets and financial liabilities.

## 48 COLLATERALS

The Group has borrowings which are secured by hypothecation of current assets, mortgage of immovable properties located at Taloja and specified properties located at Tarapur and movable fixed assets at these locations.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 49 FAIR VALUE DISCLOSURES

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market or Net Asset Value ("NAV") for identical assets or liabilities.

Level 2: Inputs other than quoted price 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).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

There were no transfers between Level 1, Level 2 and Level 3 during the year.

							₹ Crores
Financial Instruments regularly measured using Fair Value- recurring Items					Applicable for Level 2 and Level 3 hierarchy		
Particulars	Financial assets/ financial liabilities	Category	Fair Value		Fair value hierarchy	Valuation technique(s)	Key inputs
			2024	2023			
1) Derivatives - foreign exchange forward contracts	Financial Assets	Financial instruments measured at FVTPL	-	0.09	Level 2	Discounted Cash Flow	The fair values of the derivative financial instruments have been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.
	Financial Liabilities		0.40	-			
2) Investment in Mutual Fund -Unquoted	Financial Assets	Financial instruments measured at FVTPL	198.03	-	Level 1	Net Asset Value ("NAV") as stated by the issuer	-

## 50 TRANSACTIONS WITH STRUCK OFF COMPANIES

As at 31st March, 2024

There are no transactions with Struck off Companies during the year 2023-24.

As at 31st March, 2023

					₹ Crores
Name of struck off company	Nature of transaction with struck off company	Balance outstanding at the end of the year as at 31 <sup>st</sup> March, 2023	Balance outstanding at the end of the year as at 31 <sup>st</sup> March, 2022	Relationship with struck off company	
JPS Clean Care Services Pvt. Ltd.	Other Advances	-*	(0.01)	Vendor	

\*Figures less than ₹ 50,000



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 51 OTHER STATUTORY INFORMATION

- (i) The Group does not have any Benami property, where any proceedings have been initiated or pending against the Group for holding any Benami property.
- (ii) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (iii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - a. 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
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (iv) The Group does not have 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 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

## 52 AUDIT TRAIL

Pursuant to amendment by Ministry of Corporate Affairs (MCA) in the Companies Amendment Rules 2021, the parent company is using an accounting software for maintaining its books of accounts which has a feature of recording audit trail edit log facility and that has been operative throughout the financial year for all relevant transactions recorded in the software impacting books of account.

Further, in respect of an accounting software of the parent company operated by a third party software service provider for maintaining payroll records, Independent auditor's system and organisation controls report covering the requirement of audit trail in respect of this software is available for the period from 1<sup>st</sup> April, 2023 till 31<sup>st</sup> December, 2023 and the said report for the remaining period is not available. The management of third party software service provider has represented that there is no significant change in the processes, systems and control activities during the remaining period.

## 53 IND-AS YET TO BE NOTIFIED

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. For the year ended 31<sup>st</sup> March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31<sup>st</sup> March, 2024

## 54 ADDITIONAL DISCLOSURE

Name of the entity	₹ Crores												
	2024			2023			2024			2023			
	Net Assets, i.e., total assets minus total liabilities	Share in Profit or Loss	Share in Other comprehensive income	Share in Total comprehensive income	Net Assets, i.e., total assets minus total liabilities	Share in Profit or Loss	Share in Other comprehensive income	Share in Total comprehensive income	As % of consolidated Profit or Loss	As % of consolidated Other comprehensive income	As % of consolidated Total comprehensive income	Share in Other comprehensive income	Share in Total comprehensive income
Galaxy Surfactants Limited	1,405.52	66.45%	200.34	62.97%	1,223.97	56.17%	214.01	49.08%	64.50%	-48.78%	(4.59)	-0.20%	(0.11)
<b>Foreign Subsidiaries</b>													
Galaxy Chemicals Inc.	0.12	-0.01%	(0.02)	-0.01%	0.14	-0.01%	(0.02)	0.00%	0.01%	0.00%	0.01	0.02%	0.01
Galaxy Holdings (Mauritius) Ltd.	40.44	8.05%	24.28	6.21%	21.11	-0.07%	(0.25)	4.78%	1.12%	6.21%	(4.96)	4.78%	2.62
Rainbow Holdings GmbH	(22.46)	-0.20%	(0.59)	-0.23%	(21.72)	-0.17%	(0.63)	-0.52%	-1.15%	-0.23%	(0.14)	-2.95%	(1.62)
Galaxy Chemicals (Egypt) S.A.E.	546.34	25.58%	77.13	27.28%	486.37	21.95%	83.63	26.76%	25.84%	27.28%	7.67	60.15%	33.00
Tri-K Industries, Inc.	422.13	13.13%	39.58	14.64%	376.63	18.89%	71.95	22.28%	20.01%	14.64%	5.93	45.83%	25.14
Eliminations	(212.84)	-13.00%	(39.25)	-10.86%	(203.95)	3.24%	12.29	1.86%	-10.85%	-10.86%	5.50	-7.63%	(4.18)
<b>Total</b>	<b>2,179.25</b>	<b>100.00%</b>	<b>301.47</b>	<b>100.00%</b>	<b>1,882.55</b>	<b>100.00%</b>	<b>380.98</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>9.41</b>	<b>100.00%</b>	<b>54.86</b>

\*Figures less than ₹ 50,000

For and on behalf of the Board

**K. NATARAJAN**  
Managing Director  
DIN : 07626680

**VAIJANATH KULKARNI**  
Executive Director & COO  
DIN : 07626642

**ABHIJIT DAMLE**  
Chief Financial Officer

**NIRANJAN KETKAR**  
Company Secretary

Place: Navi Mumbai  
Date: 21<sup>st</sup> May, 2024

# AOC 1

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies

₹ Crores															
Sr. No	Name of the Subsidiary Company	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Total Investments (Other than in Subsidiaries)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% shareholding	Country
1	Galaxy Chemicals Inc	USD	83.40	-*	0.12	0.32	0.19	-	-	(0.02)	-	(0.02)	-	100%	USA
2	Galaxy Holdings (Mauritius) Ltd.	USD	83.40	2.37	38.07	210.90	170.47	-	-	25.04	0.76	24.28	-	100%	Mauritius
3	Rainbow Holdings GmbH	EUR	89.87	0.17	(22.63)	6.19	28.65	-	-	(0.59)	-	(0.59)	-	100%	Germany
4	Galaxy Chemicals (Egypt) S.A.E.	USD	83.40	163.67	382.67	699.27	152.93	-	963.51	77.13	-	77.13	27.59	100%	Egypt
5	TRI-K Industries Inc.	USD	83.40	-*	422.13	312.14	63.99	173.98	548.39	49.16	9.58	39.58	-	100%	USA

\* Figure less than ₹ 50,000

## NOTICE TO MEMBERS

NOTICE is hereby given that THIRTY EIGHTH ANNUAL GENERAL MEETING of the Members of **GALAXY SURFACTANTS LIMITED** will be held on Wednesday, August 07, 2024 through video conferencing / other audio-visual means at 2:30 p.m. (IST) to transact the following.

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024 together with the Report of Board of Directors and Auditor's thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 together with the Report of the Auditor's thereon.
3. To approve the dividend of ₹ 22/- per equity share for the financial year 2023-24.
4. To appoint a Director in place of Mr. G. Ramakrishnan (DIN: 00264760), who retires by rotation and being eligible, offers himself for re-appointment.
5. To resolve not to fill the vacancy caused by the retirement of Mr. Shashikant Shanbhag (DIN: 00265103) who retires by rotation at this meeting, but does not seek his re-appointment;

### SPECIAL BUSINESS

6. To ratify the remuneration payable to M/s Nawal Barde Devdhe & Associates, Cost Auditors:

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

“RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder, the remuneration payable to the Cost Auditors M/s Nawal Barde Devdhe & Associates, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025, amounting to ₹ 4,75,000/- plus applicable taxes and reimbursement of out-of-pocket expenses, if any be and is hereby ratified;

RESOLVED FURTHER THAT Directors of the Company and/ or the Company Secretary of the Company, be and are hereby severally authorised to do all such things, take steps as may be necessary, proper and expedient to give effect to this resolution.”

7. To approve modification in terms and conditions of appointment by revising remuneration payable to Mr. K. Natarajan (DIN:07626680), Managing Director and Mr. Vaijanath Kulkarni (DIN: 07626842), Executive Director and Chief Operating Officer (collectively referred to as “Executive Directors”) w.e.f. April 1, 2024:

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and on the basis of recommendation of the NRC and the Board and subject to such consents and permissions, as may be required, approval of the members of the Company be and is hereby accorded for the modification of terms and conditions of appointment of Executive Directors by revising remuneration payable to them, as set in the Explanatory Statement annexed hereto w.e.f. April 1, 2024;

RESOLVED FURTHER THAT the Board of Directors of the Company or Committee of Directors thereof be and are hereby severally authorised to take all steps as may be necessary, proper and expedient to give effect to the resolution and to alter, revise, modify and vary such terms and conditions within the limits stipulated in the Explanatory Statement, without further approval of the members of the Company during the tenure of appointment of Executive Directors.”

8. To approve re-appointment of Mr. Vaijanath Kulkarni (DIN: 07626842) as a Whole-time Director w.e.f. October 16, 2024

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory amendment(s) or modification(s) thereto or substitution(s) or

re-enactment(s) made thereof for the time being in force and subject to such other consent(s)/approval(s) as may be required, as recommended by the Nomination and Remuneration Committee of the Board and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Vaijanath Kulkarni (DIN: 07626842), as a Whole-time Director designated as Executive Director & Chief Operating Officer for a further period of three years w.e.f. October 16, 2024 till October 15, 2027, subject to being liable to retire by rotation, on such remuneration, terms and conditions as set out in the Explanatory Statement annexed hereto;

RESOLVED FURTHER THAT the Board of Directors of the Company or Committee of Directors thereof be and are hereby severally authorised to take all steps as may be necessary, proper and expedient to give effect to the resolution and to alter, revise, modify and vary such terms and conditions during the tenure of the present re-appointment of Mr. Vaijanath Kulkarni as Whole-time director, subject to the limits and stipulations prescribed by the Act and the approval by the Members.”

9. To approve appointment of Ms. Nandini Shekhar in TRI-K Industries Inc. USA from June 10, 2024

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

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (“the Act”) and applicable rules made thereunder and subject to such other approvals as may be necessary, the approval of Members be and is hereby accorded to the appointment of Ms. Nandini Shekhar, a relative of Mr. U. Shekhar a Director of the Company, in the service of TRI-K Industries Inc., USA, subsidiary of the Company, for a period of 3 years with effect from June 10, 2024 on such terms and conditions as set out in the Explanatory Statement;

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to take all steps necessary, proper and/or expedient to give effect to this Resolution including powers to revise, modify, vary terms and conditions within the limits set out in the Explanatory Statement during the tenure of appointment of Ms. Nandini Shekhar with TRI-K Industries Inc., USA.”

10. To approve payment of sitting fees by the Operating Subsidiaries to Mr. Kanwar Bir Singh Anand, Independent Director (DIN: 03518282) of the Company nominated on the Board of such Companies:

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

“RESOLVED THAT pursuant to the provisions of the Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Meetings of the Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof) for the time being in force, and subject to such other approvals as may be deemed necessary, the approval of members be and is hereby accorded for the payment of sitting fees to Mr. Kanwar Bir Singh Anand, Independent Director (DIN: 03518282), by the operating subsidiaries on the Board of which he is/ will be nominated as a Director, for attending /participating in their Board Meetings, for a period from August 1, 2024 till the date Mr. Kanwar Bir Singh Anand continues to be on the Board of such subsidiaries; as set out in the Explanatory Statement, being office or place of profit within the meaning of Section 188 of the Act;

RESOLVED FURTHER THAT the Board of Directors of the Company or Committee of Directors thereof be and are hereby severally authorised to take all steps as may be necessary, proper and expedient to give effect to the resolution and to alter, revise, modify and vary such terms and conditions within the limits stipulated in the Explanatory Statement, without further approval of the members of the Company.”

The venue of the meeting shall be deemed to be the Registered Office of the Company at: C-49/2, TTC Industrial Area, Pawne, Navi Mumbai – 400 703, India.

By Order of the Board of Directors

Navi Mumbai  
July 03, 2024

**Niranjan Ketkar**  
Company Secretary

**Registered Office:**

C-49/2, TTC Industrial Area, Pawne,  
Navi Mumbai – 400 703, India,  
Phone: +91-22-27616666 /65134444

## NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") with respect to the Special and Ordinary Business under Item Nos. 6 to 10 as set out in the Notice is annexed hereto.
2. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 09/2023 dated September 25, 2023 read with previous general circulars viz 10/2022 dated December 28, 2022, 2/2022 dated May 5, 2022, 19/2021 dated December 8, 2021, 20/2020 dated May 5, 2020, 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and 02/2021 dated January 13, 2021 and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) up to September 30, 2024. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 38<sup>th</sup> AGM of the Company shall be conducted through VC / OAVM.
3. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
4. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorisation shall be sent to the Scrutinizer - S. N. Ananthasubramanian & Co by email through their registered email address to [scrutinizer@snaco.net](mailto:scrutinizer@snaco.net) with copies marked to the Company at [investorservices@galaxysurfactants.com](mailto:investorservices@galaxysurfactants.com) and to NSDL at [evoting@nsdl.com](mailto:evoting@nsdl.com).
6. In accordance with, above referred circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website [www.galaxysurfactants.com](http://www.galaxysurfactants.com) and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. All documents referred to in the accompanying Notice are available for inspection through electronic mode. Members seeking to inspect such documents can send an email to [investorservices@galaxysurfactants.com](mailto:investorservices@galaxysurfactants.com).
8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has availed services from National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-Voting system as well as e-Voting on the date of the AGM will be provided by NSDL.
9. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd. (Link Intime) to provide efficient and better services. Members holding shares in physical mode are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc. to Link Intime by providing necessary supporting documents.
10. In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent ("RTA")/Depositories, log in details for e-voting are being sent on the registered email ID. In case the shareholder

holding shares in physical mode has not registered his/her/their email address with the Company/its RTA and/ such shareholder is requested to write to Link Intime for updation of email.

11. The final dividend for the financial year ended March 31, 2024, if declared, at the Annual General Meeting, will be paid within a period of 30 days from the date of declaration as follows:
    - (a) For shares held in physical form – to those shareholders whose names appear in the Register of Members on the close of the day on Friday, July 26, 2024; and
    - (b) For shares held in dematerialised form to those beneficiaries, whose names are furnished by the National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners on Friday, July 26 2024.
  
  12. Shareholders may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after April 01, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of payment of final dividend, if declared by the shareholders. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961.
    - a) For Resident Shareholders, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 10% on the amount of Dividend declared and paid by the Company during financial year 2024-25 provided PAN is registered by the Shareholder. If PAN is not registered, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961. However, no tax shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received by them during financial year 2024-25 does not exceed ₹ 5,000. Separately, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm or HUF)/Form 15H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.
    - b) For Non-resident Shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. However, as per Section 90 of the Income Tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:
      - Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident.
      - Self declaration in Form 10F if all the details required in this form are not mentioned in the TRC.
      - Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.
      - Self- Declaration certifying the following points:
        - i. Member is and will continue to remain a tax resident of the country of its residence during the financial year 2024-25;
        - ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
        - iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
        - iv. Member is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
        - v. Member does not have a taxable presence or a permanent establishment in India during the financial year 2024-25.
- Note : Please ensure that the above mentioned documents pertain to financial year 2024-25.
13. Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident shareholder.
  14. The forms for tax exemption can be downloaded from M/s. Link Intime's website. The URL for the same is as under:

<https://www.linkintime.co.in/client-downloads.html> On this page select the General tab. All the forms are available in under the head "Form 15G/15H/10F"

The aforementioned documents (duly completed and signed) are required to be uploaded on the url mentioned below:

<https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on this page the user shall be prompted to select / share the following information to register their request.

1. Select the company (Dropdown)
  2. Folio / DP-Client ID
  3. PAN
  4. Financial year (Dropdown)
  5. Form selection
  6. Document attachment – 1 (PAN)
  7. Document attachment – 2 (Forms)
  8. Document attachment – 3 (Any other supporting document)
15. Members holding shares in physical form are requested to dematerialise their shares on priority basis. The ISIN number of the Company is INE600K01018.
16. Those Members who have so far not encashed their dividend warrants from the Financial year 2016-2017, may claim or approach the Company for the payment thereof as the same will be transferred to the 'Investor Education and Protection Fund' established by the Central Government, pursuant to Section 125 of the Companies Act, 2013 on the respective date.
17. Members are requested to send in their queries at least a week in advance to the Company Secretary at [investorservices@galaxysurfactants.com](mailto:investorservices@galaxysurfactants.com) to facilitate clarifications during the meeting.

Please note that the upload of documents (duly completed and signed) on the website of Link Intime India Private Ltd. should be done on or before July 26, 2024 in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction shall be considered after July 26, 2024, 5:00 P.M.

Shareholders may note that in case the tax on said final dividend is deducted at a higher rate in absence of receipt of the aforementioned details/ documents, option is available to shareholder to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible.

All communications/ queries in this respect should be addressed to our RTA, Link Intime India Private Limited to its email address [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Sunday, August 04, 2024 at 9:00 A.M.(IST) and ends on Tuesday, August 06, 2024 at 5:00 P.M.(IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Wednesday, July 31, 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, July 31, 2024.

### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

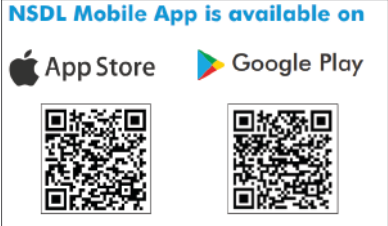
#### Step 1: Access to NSDL e-Voting system

##### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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



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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> 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 “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ 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 “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>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 “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>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 hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>
	
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. 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 user your existing my easi username &amp; password.</li> <li>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 company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is 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.</li> <li>If the user is not registered for Easi/Easiest, 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.</li> <li>Alternatively, the user can directly access 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, 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.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 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

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "**Forgot User Details/ Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  - Now, you will have to click on "Login" button.
  - After you click on the "Login" button, Home page of e-Voting will open.
- Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**
- How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**
- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
  - Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
  - Now you are ready for e-Voting as the Voting page opens.
  - Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
  - Upon confirmation, the message "Vote cast successfully" will be displayed.
  - You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  - Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- General Guidelines for shareholders**
- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to [scrutinizer@snaco.net](mailto:scrutinizer@snaco.net) with a copy marked to Company at [investorservices@galaxysurfactants.com](mailto:investorservices@galaxysurfactants.com) and NSDL at [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking

on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to Ms. Prajakta Pawle at [evoting@nsdl.com](mailto:evoting@nsdl.com)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [investorservices@galaxysurfactants.com](mailto:investorservices@galaxysurfactants.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investorservices@galaxysurfactants.com](mailto:investorservices@galaxysurfactants.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

**INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO REGISTER THEMSELVES AS SPEAKERS DURING ANNUAL GENERAL MEETING:**

1. Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email ID, mobile number at [investorservices@galaxysurfactants.com](mailto:investorservices@galaxysurfactants.com) from Monday, July 29, 2024 from 9.00 a.m. to Wednesday, July 31, 2024 till 5.00 p.m.
2. Shareholders will get confirmation on first come first basis depending upon the provision made by the Company.
3. Shareholders will receive “speaker serial number” once they mark attendance for the meeting.

4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember to speak serial number and start your conversation with panellist by switching on video mode and audio of your device.

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

The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

**EXPLANATORY STATEMENT PURSUANT SECTION 102(1) OF THE COMPANIES ACT, 2013, IN RESPECT OF SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE 38<sup>TH</sup> ANNUAL GENERAL MEETING OF GALAXY SURFACTANTS LIMITED TO BE HELD THROUGH VIDEO CONFERENCING/ OTHER AUDIO-VISUAL MEANS ON WEDNESDAY, AUGUST 07, 2024 AT 2.30 P.M (IST).**

**Item no. 6**

The Board of Directors on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Nawal Barde Devdhe & Associates, Cost Accountants to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025 for a remuneration not exceeding ₹ 4,75,000/- plus any taxes and reimbursement of out-of-pocket expenses as agreed between the Company and the Cost Auditors.

In terms of the provisions of the Section 148(3) of the Companies Act, 2013 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 of the Company. Accordingly, the consent of the members is being sought for the aforesaid remuneration to the Cost Auditors for the financial year ending March 31, 2025.

None of the Directors/ Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

Your Board recommends the Resolution at Item no. 6 as an Ordinary Resolution for the approval of the members.

**Item no. 7**

With the retirement of Mr. U. Shekhar in February 2024 from all executive roles, the promoters have handed over reigns to the professional leadership viz. Mr. K. Natarajan as the MD and Mr. Vaijanath Kulkarni as the Executive Director and COO, (collectively referred to as "Executive Directors") who are responsible to lead the Company and guide all its subsidiaries to drive the Growth Vision of the Galaxy Group.

In view of this change, the Nomination & Remuneration Committee (NRC) in its meeting dated June 29, 2024 has recommended that the Professional Leadership compensation and the composition of fixed and variable pay of the Executive Directors should be revised in line with industry benchmarks.

Accordingly, the Board in its meeting held on July 03, 2024 considered the recommendation of the NRC and has approved the revision in the remuneration payable to Executive Directors w.e.f. April 1, 2024.

The terms and conditions of appointment of the Executive Directors are proposed to be revised as under:

Particulars	K. Natarajan	Vaijanath Kulkarni
Date of Approval by members	Postal Ballot dated January 16, 2024	AGM dated September 8, 2021
Resolution number of the above approvals	1	8
Original Tenure	February 18, 2024 to February 17, 2027	October 16, 2021 to October 15, 2024
<b>Proposed Revisions:</b>		
Applicability of revision	W. e. f. April 1, 2024 till the expiry of original tenure	W. e. f. April 1, 2024 till the expiry of original tenure
Clause 4(a): Monthly Gross Salary		
Existing Clause:	Gross Salary consisting of Basic Salary, HRA and such other Cash Allowances as may be determined by the Board, within the overall scale of ₹ 15,00,000/- to ₹ 20,00,000/- per month.	Gross Salary consisting of Basic Salary, HRA and such other Cash Allowances as may be determined by the Board, within the overall scale of ₹ 12,00,000/- to ₹ 16,00,000/- per month.
To be replaced by Revised Clause:	Monthly Gross Salary consisting of Basic Salary, HRA and such other Cash Allowances as may be determined by the Board within the overall scale of ₹ 19,00,000/- to ₹ 27,00,000/-.	Monthly Gross Salary consisting of Basic Salary, HRA and such other Cash Allowances as may be determined by the Board within the overall scale of ₹ 17,00,000/- to ₹ 25,00,000/-.
Clause 4(c): Commission		
Existing clause	Commission shall be decided by the Board of Directors/ Committee of Directors from time to time. The commission in a particular year shall be subject to the overall ceiling laid down under Section 197 and 198 and other applicable provisions of the Act and Rules made thereunder.	Commission shall be decided by the Board of Directors/ Committee of Directors from time to time. The commission in a particular year shall be subject to the overall ceiling laid down under Section 197 and 198 and other applicable provisions of the Act and Rules made thereunder.
To be replaced by Revised Clause	Commission upto 200% of Annualised Monthly Gross Salary as may be decided by the Board of Directors/ Committee of Directors from time to time. The commission in a particular year shall be subject to the overall ceiling laid down under Section 197 and 198 and other applicable provisions of the Act and Rules made thereunder.	Commission upto 200% of Annualised Monthly Gross Salary as may be decided by the Board of Directors/ Committee of Directors from time to time. The commission in a particular year shall be subject to the overall ceiling laid down under Section 197 and 198 and other applicable provisions of the Act and Rules made thereunder.

Other than above, all other terms and conditions of appointment of Executive Directors shall remain unchanged.

No other Director or Key Managerial Persons of the Company and their relatives except Mr. K. Natarajan and Mr. Vaijanath Kulkarni and their relatives, are in any way, concerned or interested, financially or otherwise in resolution as set out in the Item no. 7 of the accompanying notice.

Your Board recommends the resolution at Item no. 7 as an Ordinary resolution for the approval of the members.

### Item no. 8

Mr. Vaijanath Kulkarni was appointed as a Whole-time Director at the 35<sup>th</sup> Annual General Meeting held on September 8, 2021 for the period of 3 years w.e.f. October 16, 2021 to October 15, 2024. Mr. Kulkarni was subsequently designated as Executive Director & Chief Operating Officer by the Board of Directors w.e.f. February 18, 2024.

The Board of Directors at its meeting held on May 21, 2024, based on the recommendation of the Nomination and Remuneration Committee approved the proposal for re-appointment of Mr. Vaijanath Kulkarni as a Whole-time Director designated as Executive Director & Chief Operating Officer (COO) as per the provisions of the Companies Act, 2013 for a further period of 3 (three) years with effect from October 16, 2024.

Mr. Kulkarni is a Chemical Engineer and he has been associated with the Galaxy Group for more than 25 years. He has completed Global Advance Management Programme for Global Leadership – 2009 from the Indian School of Business, India and the Kellogg School of Management, USA and Advance Management Programme from Harvard. He started his career with our Company as a Chemical Process Engineer and has varied experience in various process verticals. He has been instrumental in successfully commissioning of the Egypt operations and thereafter as the Managing Director has demonstrated his abilities in navigating various challenges in successfully anchoring the business and operations of the subsidiary in Egypt. In his current term as an Executive Director & COO of the Company, Mr. Kulkarni's focus areas include Safety, Conversion, Quality, R & D ,Projects and People Energy.

As per the requirement of the Companies Act, 2013, the re-appointment of Whole-time director is subject to the approval of members.

Mr. Vaijanath Kulkarni is not disqualified from being appointed as a Director under section 164 of the Companies Act, 2013.

The re-appointment and payment of remuneration including perquisites of Mr. Vaijanath Kulkarni are subject to the approval of members of the Company.

The principal terms and conditions of re-appointment are as given below:

- (1) The Executive Director & COO shall, subject to superintendence, control and directions of the Board of Directors, manage the business and affairs of the Company.
- (2) The tenure of re-appointment of the Executive Director & COO shall be for a period of 3 (three) years effective from October 16, 2024 to October 15, 2027.
- (3) Mr. Kulkarni shall continue to be a director liable to retire by rotation and his re-appointment as such director shall not be deemed to constitute a break in his appointment as the Executive Director & COO during the tenure of appointment.
- (4) Remuneration payable to Executive Director & COO shall be as under:
  - a) Monthly Gross Salary  
Monthly Gross Salary consisting of Basic Salary, HRA and such other Cash Allowances as may be determined by the Board, within the overall scale of ₹ 17,00,000/- to ₹ 25,00,000/-.
  - b) Perquisites  
In addition to the aforesaid salary, the appointee shall be entitled to the following perquisites:
    - I. Housing:  
In case furnished accommodation is provided to the Executive Director & COO, it shall be in lieu of 20% of Monthly Gross Salary.  
  
The expenses in respect of such accommodation shall be subject to the following limits:
      - If the accommodation is hired/leased, the expenditure on accommodation shall be subject to the limit of 20% of the Monthly Gross Salary.
      - If the accommodation is Company owned, the expenditure on the accommodation shall be subject to the limit of 7.5% of the Monthly Gross Salary payable to the said appointee.
    - II. Reimbursement of medical expenses incurred for self and family, as per the Company's Rules.  
  
In addition, hospitalisation expenses incurred in India for self and family will be paid on

- actual basis as per Company's Rules framed in this regard.
- III. Leave Travel Assistance for self and family, once in a year incurred in accordance with the Rules specified by the Company.
  - IV. Fees of clubs, subject to maximum of two clubs. This will not include admission and life membership fees.
  - V. Term Insurance and Personal accident insurance: Coverage to be extended as per the Company's Rules.
  - VI. A car with a driver for official purpose as per Company's Rules.
  - VII. Telephone, fax facilities and other telecommunication facilities at his residence, as per Company's Rules. Personal long-distance calls shall be reimbursed to the Company.
  - VIII. Statutory contribution to Provident Fund.
  - IX. Gratuity of half month basic salary for every year of completed service as per the rules of the Company.
  - X. Leave and Leave Encashment as per the Company's Rules.
- c) Commission
- Commission upto 200% of Annualised Monthly Gross Salary as may be decided by the Board of Directors/ Committee of Directors from time to time. The commission in a particular year shall be subject to the overall ceiling laid down under Section 197 and 198 and other applicable provisions of the Act and Rules made thereunder.
- Explanation:
- Family for the above purpose means the spouse, the dependent children and dependent parents of the appointee
  - The aforesaid perquisites may be in the form of reimbursement or allowance
  - Unless the context otherwise requires, the aforesaid perquisites shall be valued as per the provisions of the Income Tax Act/ Rules, wherever applicable and in absence of any such rule, perquisites shall be valued at actual costs
- Car for use on Company's business, telephone, fax and other telecommunication facilities at residence for official use, will not be considered as perquisites and shall not be included in remuneration.
- (5) Annual Increment  
The Annual Increments effective from April 1 every year shall be decided by the Board of Directors/Committee of Directors and shall be merit based and will take into account the Company's performance, subject to ceiling prescribed in Schedule V to the Act or any modification thereof to the same from time to time.
  - (6) Inadequacy of Profits and Remuneration  
In the event of loss or inadequacy of profits in any financial year during the currency of the tenure of the Executive Director & COO remuneration by way of salary, perquisites, commission and other allowance shall be in accordance with the ceiling prescribed in Schedule V to the Act or any modification thereof to the same from time to time.  
  
In addition, the appointee shall also be eligible to the following perquisites, which shall not be included in the computation of the ceiling on remuneration as specified above, in the event of loss or inadequacy of profits in any financial year.
    - Statutory Contribution to Provident Fund
    - Gratuity of half month basic salary for every year of completed service as per the rules of the Company.
    - Leave and Leave encashment, as per Company's Rules.
  - (7) No sitting fees shall be paid to the appointee for attending the meeting of the Board of Directors or any committees thereof.
- The aggregate of remuneration viz. salary, commission and perquisites/ benefits, including contribution towards Provident Fund, and gratuity fund/ provision payable to Whole-time directors of the Company shall not exceed 10% of the net profits of the Company calculated in accordance with the provisions of Section 197, 198 and other applicable provisions of the Act.
- The copy of draft letter of appointment is kept open for inspection by any member of the Company under section 190(2) of the Act.
- As required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2, particulars of Director seeking appointment/re-appointment are given in the Annexure-1 to the Notice of this AGM



No other Director, Key Managerial Personnel of the Company and their relatives, except Mr. Vaijanath Kulkarni and his relatives, are in any way, concerned or interested, financially or otherwise, in the resolution as set out in Item no. 8 of the accompanying notice.

Your Board recommends the Resolution at Item no. 8 as an ordinary resolution for the approval of the Members.

### Item no. 9

The Board on the recommendation of the Audit Committee in its meeting held on May 21, 2024 has approved the appointment of Ms. Nandini Shekhar, daughter of Mr. U. Shekhar, the Promoter and a Non-Executive Director of the Company in the employment of TRI-K Industries Inc., wholly owned subsidiary of Galaxy Surfactants Limited, w.e.f. June 10, 2024, subject to such further approval of the Members and any other approvals, if any, as may be required under the provisions the Companies Act, 2013 and rules made thereunder.

The details of Ms. Nandini Shekhar are as under:

Age	35 years
Educational Qualifications	(1) Bachelor of Technology in Chemicals from University of Mumbai (2006-2010), Department rank # 1. Institute Merit Prize and Ratan Tata Scholarship for academic excellence (2) Master of Science in Chemical Engineering from University of Florida (2010-12) (3) Master in Business Administration and Master of Science in Biotechnology from Harvard Business School (2020-22)
Experience	More than 10 years in the field of business strategy and business development.
Last Position held in Subsidiary	Not applicable
Role in Subsidiary	"Sales Manager – Northeast" or such other designation as may be revised from time to time
Remuneration paid by Subsidiary for the year 2023-24	Not applicable
Previous Approval	Not applicable

As Ms. Nandini Shekhar is the daughter of Mr. U. Shekhar, Promoter and Non-Executive Director of the Company, her appointment in the full-time employment in TRI-K attracts provisions of Section 188 of the Companies Act, 2013 ("the Act").

Accordingly, approval of the shareholders is being sought under Section 188 for appointment of Ms. Nandini on the following terms and conditions:

1. The appointment will be effective from June 10, 2024.
2. The tenure of employment will be for a period of 3 years from June 10, 2024 till June 09, 2027.
3. Designation: "Sales Manager – Northeast", or such other designation as may be revised from time to time.
4. The total remuneration comprising of salary, allowances, performance bonus and perquisites and benefits covering social security, medical care, life insurance, vacation, 401K contributions and other statutory and customary benefits shall not exceed USD 3,00,000 per annum for the period of employment.
5. The services are transferable to any other location of the subsidiary.

Mr. U. Shekhar and his relatives/ related parties as defined under the provisions of the Act and the rules made thereunder, being interested members, are not entitled to vote in favour of this resolution.

No other Director, Key Managerial Personnel of the Company and their relatives, except Mr. U. Shekhar, are in any way, concerned or interested, financially or otherwise, in the resolution as set out in Item no. 9 of the accompanying notice.

Your Board recommends the Resolution at Item no. 9 as an Ordinary Resolution for the approval of the Members.

### Item no. 10

Mr. Subodh Nadkarni (DIN:00145999), Independent Director of the Company is nominated on the Board of material subsidiary as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulations). Mr. Nadkarni will be completing his second term as the Independent Director as the Company on August 12, 2024.

Accordingly, the Board of Director at its meeting held on May 21, 2024 has nominated Mr. Kanwar Bir Singh Anand (DIN: 03518282), Independent Director of the Company on the Board of material subsidiary to comply with the requirement of Regulation 24 of SEBI Regulations and approved the payment of sitting fees by the operating subsidiaries on which he is/ will be appointed till he ceases to be director on the Board of such subsidiaries.

Any payment received by the Directors of the Company from the subsidiary attracts the provisions of the Section 188 of the Act covering appointment to office or place of profit.

Approval of the members is being sought under section 188 for the payment of sitting fees to Mr. Anand on the following terms:

- a) The approval shall be valid from August 1, 2024 and shall continue until Mr. Anand ceases to be director on the board of operating subsidiaries;
- b) The payment of sitting fees by any operating subsidiary shall not exceed USD 12,000 per annum;
- c) In addition to the above, Mr. Anand shall be entitled to reimbursement of expenditure incurred for attending the meetings of such subsidiaries.

The payment shall be subject to requisite approval of the members and any other approvals that may be required under the provisions and rules applicable.

None of the Directors, Key Managerial Personnel and/ or their relatives except Mr. Anand and his relatives are in any

way, concerned or interested, financially or otherwise, in the resolution as set out in Item no. 10 of the accompanying notice.

Mr. Kanwar Bir Singh Anand and his relatives/ related parties as defined under the provisions of the Act and rules made thereunder, being interested, are not entitled to vote in favour of this resolution.

Your Board recommends the resolution at Item no. 10 as an Ordinary Resolution for the approval of members.

By Order of the Board of Directors

Navi Mumbai  
July 03, 2024

**Niranjan Ketkar**  
Company Secretary

**Registered Office:**

C-49/2, TTC Industrial Area, Pawne,  
Navi Mumbai – 400 703, India,  
Phone: +91-22-27616666 /65134444

## Annexure 1

**DETAILS OF DIRECTORS SEEKING APPOINTMENT AT 38TH ANUUAL GENERAL MEETING PURSUANT TO SECRETARIAL STANDARDS OF GENERAL MEETINGS (SS-II) AND REGULATION 36(3) OF THE SEBI REGULATIONS:**

<b>Name of the Director</b>	G Ramakrishnan	Vaijanath Kulkarni
<b>Item No. in the Notice</b>	4	8
<b>Director Identification Number</b>	00264760	07626842
<b>Age (years)</b>	69	50
<b>Qualifications</b>	CA, CMA, CS	B.E. (Chemicals), Certified in Global Advance Management Programme from Indian School of Business, India and Kellogg's School of Management, USA, Advance Management Programme from Harvard
<b>Date of First Appointment on the Board</b>	November 01, 2009	October 1, 2016
<b>Expertise in specific functional area</b>	Over thirty-five (35) years of experience with the Company in its Personal and Home care business in various areas including strategic planning, marketing and sales, general management and human resources management.	Over twenty-five (25) years of experience with the Company in the areas of projects, manufacturing and logistics. Has held the position of Managing Director and currently a Director of Galaxy Chemicals (Egypt) SAE.
<b>Shareholding in the Company including beneficial ownership, if any</b>	23,62,783 equity shares of ₹ 10/- each (Individual Capacity) 19,38,100 equity shares of ₹ 10/- each (as a partner of Galaxy Chemicals)	26,000 equity shares of ₹ 10/- each.
<b>Relationship with other Directors/ KMP</b>	NIL	NIL
<b>Terms and conditions of appointment</b>	-	As per explanatory statement to resolution
<b>Remuneration last drawn including sitting fees</b>	Commission: ₹ 0.10 Cr Sitting Fees: ₹ 0.08 Cr Consultation Fees: ₹ 0.9 Cr	Remuneration ₹ 2.93 Cr
<b>Remuneration proposed to be paid</b>	Sitting fees for attending meeting of the Board, commission shall be paid as may be decided by the Board from time to time.	As per resolution no. 8 of the notice read with explanatory statement thereto.
<b>No of Board Meetings attending during the financial year (2023-24)</b>	6/6	6/6
<b>Directorships of the other Boards as on March 31, 2024</b>	TRI-K Industries Inc. Prasol Chemicals Limited Galaxy Emulsifiers Private Limited Galaxy Finsec Private Limited Osmania Traders Private limited	Galaxy Chemicals (Egypt) SAE TRI-K Industries Inc.
<b>Membership/ Chairmanship of Committees in other Boards as on March 31, 2024 alongwith listed entities from which the person has resigned in the past three years</b>	Prasol Chemicals Limited Audit Committee-Member Nomination & Remuneration Committee-Chairman Not resigned from any listed entities in the past three years.	NIL





*Global Supplier to Global Brands*

## **Galaxy Surfactants Ltd.**

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