

**Financial Statements and Independent Auditors' Report**  
**TCL Intermediates Private Limited**  
**31 March 2023**

# Walker ChandioK & Co LLP

Walker ChandioK & Co LLP  
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## Independent Auditor's Report

To the Members of TCL Intermediates Private Limited

### Report on the Audit of the Financial Statements

#### Opinion

1. We have audited the accompanying financial statements of TCL Intermediates Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon.

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

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune



Walker ChandioK & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41 Connaught Circus, Outer Circle, New Delhi, 110001, India

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

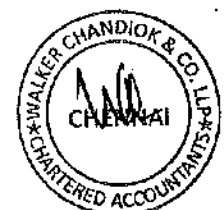
The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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 management;

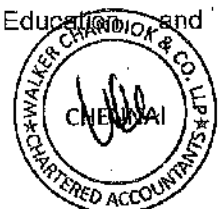


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- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Report on Other Legal and Regulatory Requirements

11. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, 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 purpose of our audit of the accompanying financial statements;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The financial statements dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
  - g) 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 does not have any pending litigation which would impact its financial position as at 31 March 2023;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;



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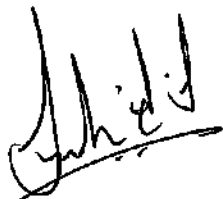
iv.

- a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') -or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013



**Sumesh E S**  
Partner  
Membership No.: 206931  
UDIN: 23206931BGUDNP7751

**Place:** Chennai  
**Date:** 16 May 2023

# Walker Chandiook & Co LLP

**Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of TCL Intermediates Private Limited on the financial statements for the year ended 31 March 2023**

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 report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.  
  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, right of use assets were verified during the year and no material discrepancies were noticed on such verification
- (c) The Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment including Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.  
  
(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.



# Walker Chandiook & Co LLP

**Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of TCL Intermediates Private Limited on the financial statements for the year ended 31 March 2023**

- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks, representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has made preferential allotment of shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed thereunder with respect to the same. Further, the amounts so raised were used for the purposes for which the funds were raised, though idle funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.



# Walker Chandiook & Co LLP

## Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of TCL Intermediates Private Limited on the financial statements for the year ended 31 March 2023

- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
- (xvii) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC (xvii) The Company has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to Rs.106 lakhs and Rs. 116 lakhs respectively.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.





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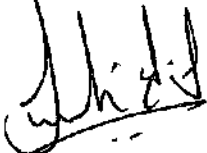
**Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of TCL Intermediates Private Limited on the financial statements for the year ended 31 March 2023**

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



**Sunesh E S**

Partner

Membership No.: 206931

UDIN: 23206931BGUDNP7751



**Place:** Chennai

**Date:** 16 May 2023

# Walker Chandiook & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of TCL Intermediates Private Limited on the financial statements for the year ended 31 March 2023

**Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the financial statements of TCL Intermediates Private Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

## **Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

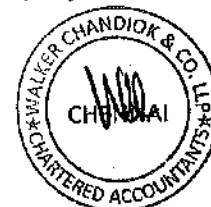
2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal financial control with reference to financial statements IFCoFR criteria established by the Company considering the essential components of internal control stated in the 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 the Company's 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 Act.

## **Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.
5. 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 financial statements.

## **Meaning of Internal Financial Controls with Reference to Financial Statements**

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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.



# Walker Chandiook & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of TCL Intermediates Private Limited on the financial statements for the year ended 31 March 2023

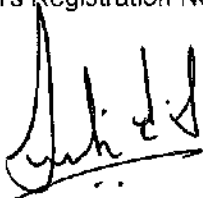
## Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

### Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013



**Sumesh E S**  
Partner  
Membership No.: 206931  
UDIN: 23206931BGUDNP7751



**Place:** Chennai  
**Date:** 16 May 2023

**TCL Intermediates Private Limited**  
**Balance Sheet as at 31 March 2023**  
*(All amounts are in lakhs Indian Rupees (₹), unless otherwise stated)*

	Notes	As at 31 March 2023	As at 31 March 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	59	-
Capital work-in-progress	3	9,431	145
Intangible assets	3	11	-
Right of use assets	3	2,185	-
Financial assets			
(i) Other financial assets	4	78	-
Other non-current assets	5	4,073	87
		<u>15,837</u>	<u>232</u>
<b>Current assets</b>			
Financial assets			
(i) Cash and cash equivalents	6	2,737	2,470
(ii) Bank balances other than (i) above	6	3,516	-
		<u>6,253</u>	<u>2,470</u>
<b>Total assets</b>		<u>22,090</u>	<u>2,702</u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	7	15,000	2,650
Other equity	8	(409)	(116)
<b>Total equity</b>		<u>14,591</u>	<u>2,534</u>
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	9	3,175	-
Provisions	10	38	-
		<u>3,213</u>	<u>-</u>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	9	287	-
(ii) Lease liabilities	11	189	-
(iii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises		11	-
(B) Total outstanding dues other than micro enterprises and small enterprises	12	14	3
(iv) Other financial liabilities	13	3,697	165
Provisions	10	30	-
Other current liabilities	14	58	-
		<u>4,286</u>	<u>168</u>
<b>Total equity and liabilities</b>		<u>22,090</u>	<u>2,702</u>

**Notes 1 to 27 form an integral part of these financial statements**  
 In terms of our report attached

For Walker Chandio & Co LLP  
 Chartered Accountants  
 Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of  
 TCL Intermediates Private Limited  
 CIN: U24290TN2021PTC148609

  
**Suresh E S**  
 Partner  
 Membership No: 206931



  
**PMC Nair**  
 Managing director  
 (DIN : 07326079)

  
**Radha Jayaraman**  
 Director  
 (DIN : 09436659)

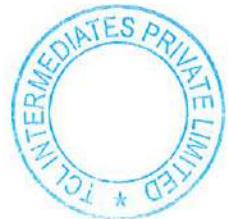
  
**Pramodkumar R**  
 Company Secretary

Place : Chennai  
 Date : 16 May 2023

Place : Chennai  
 Date : 16 May 2023

Place : Chennai  
 Date : 16 May 2023

Place : Chennai  
 Date : 16 May 2023



TCL Intermediates Private Limited  
Statement of Profit and Loss for the year ended 31 March 2023  
(All amounts are in lakhs Indian Rupees (₹), unless otherwise stated)

	Notes	Year ended 31 March 2023	Period from 15 December 2021 to 31 March 2022
<b>Income</b>			
Other income	15	12	-
<b>Total income</b>		<b>12</b>	<b>-</b>
<b>Expenses</b>			
Employee benefits expense	16	101	1
Finance costs	17	14	-
Depreciation and amortisation expenses	3	151	-
Other expenses	18	58	115
<b>Total expenses</b>		<b>324</b>	<b>116</b>
<b>Loss before tax</b>		<b>(312)</b>	<b>(116)</b>
<b>Tax expense</b>			
-Current tax		-	-
-Deferred tax		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>Loss for the year</b>		<b>(312)</b>	<b>(116)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
-Re-measurements of defined benefit liabilities		19	-
-Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Other comprehensive income for the year, net of tax</b>		<b>19</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(293)</b>	<b>(116)</b>
<b>Loss per equity share (Nominal value of ₹10 each)</b>			
Basic and diluted (in ₹)	19	(0.63)	(0.44)

Notes 1 to 27 form an integral part of these financial statements  
In terms of our report attached

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

  
Supresh E S  
Partner  
Membership No: 206931

Place : Chennai  
Date : 16 May 2023



For and on behalf of the Board of Directors of  
TCL Intermediates Private Limited  
CIN: U24290TN2021PTC148609

  
PMC Nair  
Managing director  
(DIN : 07326079)

Place : Chennai  
Date : 16 May 2023

  
Radha Jayaraman  
Director  
(DIN : 09436659)

Place : Chennai  
Date : 16 May 2023

  
Pramodkumar R  
Company Secretary

Place : Chennai  
Date : 16 May 2023



TCL Intermediates Private Limited  
Cash flow statement for the year ended 31 March 2023  
(All amounts are in lakhs Indian Rupees (₹), unless otherwise stated)

	Year ended 31 March 2023	Period from 15 December 2021 to 31 March 2022
<b>A. Cash flow from operating activities</b>		
Loss before tax	(312)	(116)
Adjustments		
Finance costs	14	-
Interest income	(12)	-
Depreciation and amortisation expense	151	-
Provision for employee benefit expenses	68	-
<b>Operating profit before working capital changes</b>	<b>(91)</b>	<b>(116)</b>
<b>Movements in working capital:</b>		
Increase in other assets	(1,833)	(26)
Increase in other financial assets	(78)	-
Increase in trade and other payables	22	3
Increase in provisions & other liabilities	77	-
Increase in other financial liabilities	2	-
<b>Cash used in operations</b>	<b>(1,701)</b>	<b>(139)</b>
Direct tax paid (net)	-	-
<b>Net cash used in operating activities</b>	<b>(1,701)</b>	<b>(139)</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on property, plant & equipment, capital work in progress and intangible assets including capital advances	(8,168)	(41)
Movement in balances with bank other than those mentioned in cash & cash equivalents	(3,504)	-
<b>Net cash used in investing activities</b>	<b>(11,672)</b>	<b>(41)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from borrowings	3,451	-
Proceeds from issue of equity shares	10,387	2,650
Payment of lease liabilities	(190)	-
Interest paid	(8)	-
<b>Net cash generated by financing activities</b>	<b>13,640</b>	<b>2,650</b>
<b>D. Net cash inflows during the year</b>	<b>267</b>	<b>2,470</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>2,470</b>	<b>-</b>
<b>F. Cash and cash equivalents at the end of the year</b>	<b>2,737</b>	<b>2,470</b>
<b>Cash and cash equivalents comprise of:</b>		
Balances with banks - in current accounts	2,737	2,470
<b>Cash and cash equivalents as per note 6</b>	<b>2,737</b>	<b>2,470</b>

Notes 1 to 27 form an integral part of these financial statements  
In terms of our report attached

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

  
Sumesh E S  
Partner  
Membership No: 206931

Place : Chennai  
Date : 16 May 2023



For and on behalf of the Board of Directors of  
TCL Intermediates Private Limited  
CIN: U24290TN2021PTC148609

  
PMC Nair  
Managing director  
(DIN : 07326079)

Place : Chennai  
Date : 16 May 2023

  
Radha Jayaraman  
Director  
(DIN : 09436659)

Place : Chennai  
Date : 16 May 2023

  
Pramodkumar R  
Company Secretary

Place : Chennai  
Date : 16 May 2023



TCL Intermediates Private Limited  
Statement of Changes in Equity as at 31 March 2023  
(All amounts are in lakhs Indian Rupees (₹), unless otherwise stated)

A. Equity Share Capital

As at 31 March 2023

Balance at the beginning of the year	Changes in equity share capital during the current year	Balance at the end of the year
2,650	12,350	15,000

As at 31 March 2022

Balance at the beginning of the period	Changes in equity share capital during the current period	Balance at the end of the period
-	2,650	2,650

B. Other Equity

Particulars	Retained earnings	Total other equity
Balance at the beginning of the period	-	-
Loss for the period	(116)	(116)
Balances at 31 March 2022	(116)	(116)
Loss for the year	(312)	(312)
Other comprehensive income	19	19
Balances at 31 March 2023	(409)	(409)

Notes 1 to 27 form an integral part of these financial statements  
In terms of our report attached

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

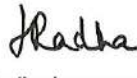
For and on behalf of the Board of Directors of  
TCL Intermediates Private Limited  
CIN: U24290TN2021PTC148609

  
Sunesh E S  
Partner  
Membership No: 206931



  
PMC Nair  
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Place : Chennai  
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Radha Jayaraman  
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Place : Chennai  
Date : 16 May 2023

  
Pramodkumar R  
Company Secretary

Place : Chennai  
Date : 16 May 2023



**TCL Intermediates Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
*(All amounts are in lakhs Indian Rupees (₹), unless otherwise stated)*

**1 General Information**

TCL Intermediates Private Limited ('the Company') is a private limited company domiciled in India and was incorporated on 15 December 2021 under the provisions of the Companies Act. The Company's principal activities are manufacturing and selling chemicals. The company is a 100% subsidiary of Thirumalai Chemicals Limited, a public limited company whose shares are listed on stock exchanges in India.

All amounts in the financial statements are presented in lakhs of Indian Rupees except per share data and as otherwise stated. All the comparative financial information reflects the transaction occurred during the period from 15 December 2021 till 31 March 2022.

These financial statements were authorized for issue by the Company's Board of Directors on 16 May 2023.

**2 Summary of significant accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements of the Company have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016 as notified under section 133 of Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

These financial statements have been prepared on a historical cost convention on accrual basis.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**2.2 Functional and presentation currency**

The financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency.

**2.3 Critical accounting estimates, assumptions and judgements**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates, assumptions and judgements that affect the reported amounts of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods reported.

The estimates and associated assumptions are based on parameters available at the time of preparation of financials and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

*(i) Deferred income tax assets and liabilities*

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change.

*(ii) Useful lives of property, plant and equipment ("PPE") and intangible assets*

Property, Plant and Equipment/Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes, expected level of usage and product life-cycle. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

*(iii) Provisions and contingencies*

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgement is required when evaluating the provision including, the probability of an unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the financial statements. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.





**TCL Intermediates Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
*(All amounts are in lakhs Indian Rupees (₹), unless otherwise stated)*

**2.3 Critical accounting estimates, assumptions and judgements (Continued)**

*(iv) Recognition of property, plant and equipment (PPE) and Capital work in progress*

Significant level of judgement is involved in assessing whether the expenditure incurred meets the recognition criteria under Ind AS 16 Property, Plant and Equipment. Also estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management.

**2.4 Amendments and interpretations to existing standard that are not yet effective and have not been adopted early by the Company**

**a) Ind AS 1 – Presentation of Financial Statements**

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

**b) Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

**c) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

**2.5 Property, plant and equipment and intangible assets**

*(i) Plant and equipment*

Plant and other equipment (comprising plant and machinery, furniture and fittings, electrical equipment, office equipment, computers and vehicles) are initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the management. Plant and other equipment are subsequently measured at cost less accumulated depreciation and any impairment losses.

Major shutdown and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset. Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss within other income or other expenses.

The components of assets are capitalized only if the life of the components vary significantly and whose cost is significant in relation to the cost of respective asset. The life of components in assets are determined based on technical assessment.

Property, plant and equipment are carried at the cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any. The cost of property, plant and equipment includes non-refundable taxes, duties, freight, professional fees, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy based on Ind AS 23 – Borrowing costs and other incidental expenses related to the acquisition and installation of the respective assets. Property, plant and equipment which are retired from active use and are held for disposal are stated at the lower of their net book value or net realizable value. Cost of property, plant and equipment not ready for the intended use as at balance sheet date are disclosed as "capital work-in-progress".

*(ii) Intangible assets*

Intangible assets acquired separately are measured at cost of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The amortization of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated.



**TCL Intermediates Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
*(All amounts are in lakhs Indian Rupees (₹), unless otherwise stated)*

**2.5 Property, plant and equipment (continued)**

*(iii) Impairment testing of intangible assets and property, plant and equipment*

For the purpose of impairment assessment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganizations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

*(iv) Depreciation and amortisation*

Depreciation on property, plant and equipment is provided on straight line method and in the manner prescribed in Schedule II to the Companies Act, 2013, over its useful life specified in the Act, or based on the useful life of the assets as estimated by Management based on technical evaluation and advice. The residual value is generally assessed as 5% of the acquisition cost which is considered to be the amount recoverable at the end of the asset's useful life. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

**2.6 Leases**

**Company as a lessee**

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-of-Use (ROU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight line basis over the lease term. The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any.

The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Company applies Ind AS 36 to determine whether an RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.



**TCL Intermediates Private Limited**

**Summary of significant accounting policies and other explanatory information**

*(All amounts are in lakhs Indian Rupees (₹), unless otherwise stated)*

**2.7 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets other than equity instruments are classified into categories: financial assets at fair value through profit or loss and at amortised cost. Financial assets that are equity instruments are classified as fair value through profit or loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss or amortised cost.

Financial instruments are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument. Initially, a financial instrument is recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

**Classification and subsequent measurement of financial assets**

For the purpose of subsequent measurement financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

- a. Amortised cost
- b. Fair value through other comprehensive-income (FVOCI) or
- c. Fair value through profit and loss (FVTPL)

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

**(a) Financial asset at amortised cost**

Includes assets that are held within a business model where the objective is to hold the financial assets to collect contractual cash flows and the contractual terms gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are measured subsequently at amortised cost using the effective interest method. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

**(b) Financial asset at fair value through other comprehensive income (FVOCI)**

Includes assets that are held within a business model where the objective is both collecting contractual cash flows and selling financial assets along with the contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, the Company, based on its assessment, makes an irrevocable election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading. These selections are made on an instrument-by-instrument (i.e., share-by-share) basis. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognised in other comprehensive income. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. The dividends from such instruments are recognised in statement of profit and loss.

The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognised in other comprehensive income and shall not reduce the carrying amount of the financial asset in the balance sheet.

**(c) Financial asset at fair value through profit and loss (FVTPL)**

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortised cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognised in profit and loss.

**2.8 Borrowing cost**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

**2.9 Earnings per equity share**

Basic earnings per equity share is calculated by dividing the total profit for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). In this scenario, the number of equity shares outstanding increases without an increase in resources due to which the number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

For the purpose of calculating diluted earnings per share, the net 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 effects of all dilutive potential equity shares.



**TCL Intermediates Private Limited**

**Summary of significant accounting policies and other explanatory information**

*(All amounts are in lakhs Indian Rupees (₹), unless otherwise stated)*

**2.10 Income tax**

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to a business combination, or items directly recognized in equity or in other comprehensive income.

*(i) Current income tax*

Current income tax for the current period is measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period. While determining the tax provisions, the Company assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending upon the nature and circumstances of each uncertain tax position.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

*(ii) Deferred income tax*

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences that is expected to reverse within the tax holiday period.

The carrying amount of deferred income tax assets will be reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

**2.11 Contingent liabilities and provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities if the outflow of resources is remote.

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

**2.12 Cash and cash equivalents**

Cash and cash equivalents comprises cash at bank, cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 3 months from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

**2.13 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents includes cash in hand, cheques on hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of 3 months or less, as applicable.

**2.14 Recognition of Dividend Income, Interest income or expense**

Dividend income is recognised when the unconditional right to receive the income is established. Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.



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3. Property, plant and equipment, Intangible assets, Capital work-in progress and Right of use assets

Particulars	Property, plant and equipment				Intangible assets	
	Furniture and fixtures	Office equipment	Computer equipments	Total	Computer software	Right of use assets
Balance as at the date of incorporation	-	-	-	-	-	-
Additions	-	-	-	-	-	145
Balance as at 31 March 2022	-	-	-	-	-	145
Additions	17	12	35	64	14	9,286
Balance As at 31 March 2023	17	12	35	64	14	9,286
Accumulated depreciation / amortisation	-	-	-	-	-	-
Balance as at the date of incorporation	-	-	-	-	-	-
Balance as at 31 March 2022	-	-	-	-	-	-
Depreciation/ amortisation for the year	0	0	5	5	3	143
Reversal on disposal of assets	-	-	-	-	-	-
Balance As at 31 March 2023	-	-	5	5	3	143
Net block	-	-	-	-	-	-
Balance as at 31 March 2022	-	-	-	-	-	145
Balance as at 31 March 2023	17	12	30	59	11	9,431

Notes:

- (i) Of the above plant and equipment including work in progress of the Company has been pledged as collateral for the Company's term loan (Also, refer note 9).  
 (ii) The lease liabilities arising out of addition to Right of use asset has been fully paid at the inception of the respective leases, other than those mentioned in note 11.

i) As at 31 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	
(i) Projects in Progress	9,286	145	-	-	9,431
(ii) Projects temporarily suspended	-	-	-	-	-
Total	9,286	145	-	-	9,431

ii) As at 31 March 2022

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
(i) Projects in Progress	145	-	-	145
(ii) Projects temporarily suspended	-	-	-	-
Total	145	-	-	145



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	As at 31 March 2023	As at 31 March 2022
<b>4 Other non-current financial assets</b> <i>(Unsecured, considered good)</i>		
Security deposits	78	-
	<u>78</u>	<u>-</u>

**Notes:**

- (a) There are no financial assets due from directors or other officers of the Company.  
(b) The carrying amount of cumulative other financial assets are considered as a reasonable approximation of fair value.  
(c) A description of the Company's financial instrument risks, including risk management objectives and policies are given in note 21.

	As at 31 March 2023	As at 31 March 2022
<b>5 Other non-current assets</b> <i>(Unsecured, considered good)</i>		
Capital advances	2,414	61
Balance with Government authorities	1,584	26
Prepaid expenses	75	-
	<u>4,073</u>	<u>87</u>

- a) All of the Company's other non-current assets have been reviewed for indicators of impairment and no allowances for losses is required to be provided.

<b>6 Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Balance with banks in current accounts	2,737	2,470
Cash and cash equivalents as per statement of cash flows	<u>2,737</u>	<u>2,470</u>
<b>Bank balances other than mentioned in cash and cash equivalents</b>		
Deposit accounts (with original maturity greater than 3 months and remaining upto 12 months)	3,516	-
	<u>3,516</u>	<u>-</u>
<b>Total</b>	<u>6,253</u>	<u>2,470</u>

	As at 31 March 2023		As at 31 March 2022	
	Number	₹ in Lakhs	Number	₹ in Lakhs
<b>7 Equity share capital</b>				
<b>Authorised</b>				
Equity shares of ₹ 10 each	150,000,000	15,000	150,000,000	15,000
	<u>150,000,000</u>	<u>15,000</u>	<u>150,000,000</u>	<u>15,000</u>
<b>Issued, subscribed and fully paid-up</b>				
Equity shares of ₹ 10 each	150,000,000	15,000	26,500,000	2,650
	<u>150,000,000</u>	<u>15,000</u>	<u>26,500,000</u>	<u>2,650</u>
<b>a) Reconciliation of outstanding equity shares</b>				
Opening balance as on 01st April	26,500,000	2,650	-	-
<b>Additions: Equity shares of ₹ 10 each</b>				
(i) for consideration by way of cash	103,865,920	10,387	-	-
(ii) for consideration other than by way of cash	19,634,080	1,963	26,500,000	2,650
Closing balance as on 31st March	<u>150,000,000</u>	<u>15,000</u>	<u>26,500,000</u>	<u>2,650</u>

**b) Shareholders holding more than 5% of the aggregate shares in the Company including promoters holding**

	As at 31 March 2023		As at 31 March 2022	
	Number	% holding	Number	% holding
<i>Equity shares of ₹ 10 each</i>				
Thirumalai Chemicals Limited (Promoter)*	150,000,000	100%	26,500,000	100%
	<u>150,000,000</u>	<u>100%</u>	<u>26,500,000</u>	<u>100%</u>

\* There has been no change in % of shareholding by promoters during the current year and previous year

- c) There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and there were no buy back of shares during the current period and previous period except as disclosed below in d below

- d) During the current year the Company has issued 1,96,34,080 shares of ₹ 10 each to Thirumalai Chemicals Limited for purchase of right to use the lease hold land.

**e) Terms/ rights attached to equity shares**

The Company has one class of equity shares having a par value of ₹ 10 per share. The Company declares and pays dividends in Indian Rupees (₹). The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, which is approved by the Board of Directors. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be proportional to the number of equity shares held by the shareholders.



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**f) Capital management policies and procedures**

The Company's capital management objectives are to ensure that it maintains healthy capital ratios in order to support its business and to maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. The Company proposes to maintain a mixture of cash and cash equivalents, long-term debt and short-term committed facilities that are designed to ensure the Company has sufficient available funds for business requirements. There are no imposed capital requirements on the Company, whether statutory or. The Company monitors capital using a ratio of 'net debt' to 'equity'. Net Debt is calculated as total borrowings, less cash and cash equivalents.

The Company's net debt to equity ratio as at 31 March 2023 is as follows:

	As at 31 March 2023	As at 31 March 2022
Total borrowings	3,462	-
Less: Cash and cash equivalents	(2,737)	(2,470)
Net Debt / (Cash position)	725	(2,470)
<b>Total equity</b>	<b>14,591</b>	<b>2,534</b>
<b>Net Debt to equity ratio</b>	<b>4.97%</b>	<b>-97.47%</b>

**8 Other equity**

Surplus		
(a) Retained earnings	(409)	(116)
<b>Total surplus and other equity</b>	<b>(409)</b>	<b>(116)</b>

**(a) Retained earnings**

Balance at the beginning of the year	(116)	-
Add : Transfer from statement of profit and loss	(312)	(116)
Add : Transfer from other comprehensive income	19	-
<b>Balance at the end of the year</b>	<b>(409)</b>	<b>(116)</b>

Retained earnings comprises of prior years' undistributed earnings after taxes, which can be utilised for purposes such as dividend pay-out etc. Negative number represents deficit in retained earnings.

**9 Borrowings**

	As at 31 March 2023	As at 31 March 2022
<i>Secured - measured at amortised cost</i>		
Term loan from banks (refer note (a) & (b) below)	2,475	-
Letter of credits discounted (LC) (refer note (c) below)	987	-
<b>Total borrowings</b>	<b>3,462</b>	<b>-</b>
Less: Short term borrowings (Letter of credit discounted)	287	-
<b>Total non-current borrowings</b>	<b>3,175</b>	<b>-</b>

**Notes:**

(a) The term loan of ₹ 2,500 lakhs is repayable in 24 quarterly instalments starting from June 2025. The outstanding as on 31 March 2023 is ₹2,500 lakhs (31 March 2022: Nil). The loan carries a interest rate of 12 Months MCLR presently at 8.90% p.a.

(b) The above borrowings are secured by way of first charge on property, plant and equipment including work in progress of the Company.

(c) The Letter of credits discounted is secured by way of first charge on capital goods purchased using such LC. The maturity period ranges from one month to three years and interest rate ranges from 7.5% to 8.9% p.a.

(d) Reconciliation of movement of liabilities to cash flows arising from financing activities:

	Year ended 31 March 2023	Year ended 31 March 2022
Balance at the beginning of the year	-	-
<b>A) Changes from financing cash flows</b>		
(i) Proceeds from borrowings	3,476	-
(ii) Transaction costs related to borrowings	(25)	-
(iii) Interest expense paid	(8)	-
<b>Total changes from financing cash flows</b>	<b>3,443</b>	<b>-</b>
<b>B) Other changes</b>		
(i) Interest expense accrued	19	-
<b>Total other changes</b>	<b>19</b>	<b>-</b>
<b>Balance at the end of the year</b>	<b>3,462</b>	<b>-</b>

**10 Provisions**

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Provisions for employee benefits				
(i) Gratuity	27	21	-	-
(ii) Compensated absences	11	9	-	-
	<b>38</b>	<b>30</b>	<b>-</b>	<b>-</b>



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10 Provisions (continued)

i) Gratuity

Gratuity is payable to all the employees at the rate of 15 days salary for each year of service. In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The following table sets out the status of the Gratuity Plan and the amounts recognized in the financial statements :

	As at 31 March 2023	As at 31 March 2022
a) Change in present value of projected benefit obligation		
Present value of benefit obligation at the beginning of the year	-	-
Interest cost	-	-
Current service cost	48	-
Benefits paid	-	-
Liability transferred In	19	-
Actuarial gain	(19)	-
Projected benefit obligation at the end of the year	<u>48</u>	<u>-</u>
Thereof		
Unfunded	48	-
b) Components of net gratuity costs		
Current service cost	48	-
Interest cost	-	-
Net gratuity costs recognised in the income statement (Also, refer note 16)	<u>48</u>	<u>-</u>
c) Actuarial gain recognised in other comprehensive income	19	-
d) Principal actuarial assumptions used:	As at 31 March 2023	As at 31 March 2022
a) Discount rate	7.41%	-
b) Long-term rate of compensation increase	10.00%	-
c) Average future service	8 years	-
d) Attrition rate	10.00%	-
e) Mortality table	Indian assured lives mortality (2012-14) urban	-

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

e) Employee benefits - Maturity profile

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31 March 2023	-	21	10	21	53
31 March 2022	-	-	-	-	-

f) Sensitivity Analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability.

	Attrition rate		Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 March 2023						
Sensitivity Level	1%	-1%	1%	-1%	1%	-1%
Impact on defined benefit obligation	(1)	1	(2)	2	2	(2)
31 March 2022						
Sensitivity Level	-	-	-	-	-	-
Impact on defined benefit obligation	-	-	-	-	-	-

ii) Compensated absences

The Company permits encashment of compensated absences accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of privilege leave at the balance sheet date is determined and provided on the basis of actuarial valuation performed by an independent actuary. The Company does not maintain any plan assets to fund its obligation towards compensated absences.

Principal actuarial assumptions used :	Year ended 31 March 2023	Year ended 31 March 2022
Discount rate	7.41%	-
Long-term rate of compensation increase	10%	-
Average remaining life	8 years	-
Attrition rate	10%	-





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11 Lease liabilities	As at	As at
	31 March 2023	31 March 2022
Lease liabilities	189	-
	<b>189</b>	<b>-</b>

**Notes:**

i) The Company has entered into lease arrangements for building/tanks that are renewable on a periodic basis with approval of both lessor and lessee.

ii) The Company does not have any lease commitments towards variable rent as per the contract.

iii) The Company did not have any leases during the previous year

iv) **The following are amounts recognised in profit or loss:-**

	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation expense of right-of-use assets	143	-
Interest expense on lease liabilities (Also, refer note 17)	14	-
<b>Total</b>	<b>157</b>	<b>-</b>

v) **Total cash outflow pertaining to leases**

	Year ended 31 March 2023	Year ended 31 March 2022
Total cash outflow pertaining to leases during the year ended	190	-

vi) **Class of underlying asset for Right of use**

	As at 31 March 2023	As at 31 March 2022
Lease hold land	2,004	-
Lease hold tank	324	-
	<b>2,328</b>	<b>-</b>

\*Net block of lease hold land as at 31 March 2023 is ₹ 2,004 (31 March 2022 ₹ Nil) and lease hold tank is ₹ 181 lakhs (31 March 2022 ₹ Nil)

**12 Trade Payables**

Total outstanding dues of micro enterprises and small enterprises (Also, refer note (a) below)

Total outstanding dues other than micro enterprises and small enterprises \*

	31 March 2023	31 March 2022
Total outstanding dues of micro enterprises and small enterprises (Also, refer note (a) below)	11	-
Total outstanding dues other than micro enterprises and small enterprises *	14	3
	<b>25</b>	<b>3</b>

\* Includes ₹ 2 lakhs payable to Thirumalai Chemicals Limited (Also, refer note 20)

**Notes:**

a) According to information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company has amounts due to Micro and Small Enterprises under the said Act as follows :

	As at 31 March 2023	As at 31 March 2022
i) Principal amount remaining unpaid included in Trade payables	11	-
ii) Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment ( Which have been paid but beyond the appointed day during the year ) without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv) The amount of interest due accrued and remaining unpaid at the end of each accounting year.	-	-
v) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

b) **Trade payables ageing schedule as at 31 March 2023**

Particulars	Not due	Out standing for the following period from the due date				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	11	-	-	-	-	11
(ii) Others	14	-	-	-	-	14
<b>Total</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25</b>

c) **Trade payables ageing schedule as at 31 March 2022**

Particulars	Not due	Out standing for the following period from the due date				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	3	-	-	-	-	3
<b>Total</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>

d) There are no disputed trade payables as on 31 March 2023 and 31 March 2022.

e) To the best of the knowledge of the Management, there are no unbilled dues payable to any supplier or service provider except to the extent of estimated provisions included in the above.



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	As at 31 March 2023	As at 31 March 2022
<b>13 Other financial liabilities</b>		
Capital creditors*	3,695	165
Employee related payables	2	-
	<b>3,697</b>	<b>165</b>
* Includes ₹ 1,149 lakhs (31 March 2022 Nil) payable to Thirumalai Chemicals Limited (Also, refer note 20)		
<b>14 Other current liabilities</b>		
Statutory dues	58	-
	<b>58</b>	<b>-</b>
<b>15 Other income</b>		
	Year ended 31 March 2023	Period from 15 December 2021 to 31 March 2022
Interest income (Gross)	12	-
	<b>12</b>	<b>-</b>
<b>16 Employee benefit expenses</b>		
Salaries, wages and bonus	30	1
Contribution to provident fund and other funds	1	-
Gratuity expense (Also, refer note 10)	48	-
Staff welfare expenses	22	-
	<b>101</b>	<b>1</b>
<b>17 Finance cost</b>		
Interest on lease liabilities (Also, refer note 11)	14	-
	<b>14</b>	<b>-</b>
<b>18 Other expenses</b>		
Power and fuel	3	-
Payment to auditors	7	1
Rent (Also, refer note 20)	9	-
Legal and professional charges	24	-
Travelling and conveyance	2	-
Incorporation expenses	-	114
Security expenses	12	-
Miscellaneous Expenses	1	-
	<b>58</b>	<b>115</b>
<b>19 Earnings per equity share (EPS)</b>		
<b>Basic and diluted earnings per share (₹)</b>		
On loss for the year	(0.63)	(0.44)
On total comprehensive loss	(0.63)	(0.44)
<b>Notes:</b>		
The earnings and weighted average numbers of equity shares used in the calculation of basic and diluted		
<b>(a) Earning used in the calculation of basic and diluted earnings per share:</b>		
Loss for the year	(312)	(116)
Total comprehensive loss	(312)	(116)
<b>(b) Weighted average number of equity shares used in the calculation of basic and</b>		
<b>Weighted average number of equity shares outstanding during the year (In Lakhs)</b>	494	265

**20 Related parties**

**a) Names of related parties and nature of relationship:**

Nature of relationship	Name of related party
Holding Company	Thirumalai Chemicals Limited
Fellow Subsidiary Companies	Cheminvest Pte Limited (CPL) Optimistic Organic Sdn Bhd (OOSB) Lapiz Europe Limited TCL Global B.V. TCL Inc. TCL Specialties LLC.
Key Management Personnel	Mr. P Mohanachandra Nair (Director) Mr. Sanjay Sinha (Director) Mrs. Radha Jayaraman ((Director) Mr. Pramodkumar R (Company secretary)



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20 Related parties (continued)

b) Transactions with related parties

Transaction	Related Party	Year ended 31 March 2023	Period from 15 December 2021 to 31 March 2022
Remuneration to Key Managerial Personnel*	Mr. P Mohanachandra Nair	54	-
	Mr Pramodkumar R	2	-
Purchase of goods	Thirumalai Chemicals Limited	765	-
Reimbursement of expenses	Thirumalai Chemicals Limited	384	-
Rental expenses	Thirumalai Chemicals Limited	2	-
Transfer of Right of use asset	Thirumalai Chemicals Limited	1,963	-

\*Remuneration pertain to short term employee benefits. As the present value of obligation towards gratuity is determined for all the employees in aggregate, the post-employment benefits and other long-term benefits relating to key management personnel cannot be ascertained individually.

c) Balances with related parties

Particulars	Related Party	As at 31 March 2023	As at 31 March 2022
Other financial liabilities	Thirumalai Chemicals Limited	1,149	-
Trade payables	Thirumalai Chemicals Limited	2	-

21 Disclosures on financial instruments

I. Financial instruments by category

All financial assets and financial liabilities are measured at amortised cost as at the reporting date. The company considers the carrying value of the financial assets and financial liabilities as on approximate estimate of the fair value

II. Fair value hierarchy

The Company does not have any assets or liabilities measured at fair value as on the balance sheet date.

III. Financial risk management

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance. The Company's management which is supported by a Holding Company manages these risks. The Company's senior management assesses the financial risks and the appropriate financial risk governance framework in accordance with the Company's policies and risk objectives.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and bank balances	Credit ratings	Diversification of bank deposits
Liquidity risk	Trade and other payables, other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Long term Borrowings	Sensitivity analysis	NA

A. Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of the counter party, taking into account the financial condition, current economic trends.

Cash and bank balances

The credit risk for cash and cash equivalents are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.



21 Disclosures on financial instruments (continued)

**B. Liquidity risk**

Liquidity risk is that the Company will not be able to meet its obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as and when required. The treasury team's risk management policy includes an appropriate liquidity risk management framework for the management of the short-term, medium-term and long term funding and cash management requirements. The Company manages the liquidity risk by maintaining adequate cash reserves, committed credit facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company invests its surplus funds in bank fixed deposit and liquid schemes of mutual funds, which carry no/negligible mark to market risks.

The following are the remaining contractual maturities of financial liabilities at the reporting date:

As at 31 March 2023	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
Borrowings	255	295	3,261	1,065
Lease liabilities	131	65	-	-
Trade and other payables	25	-	-	-
Other financial liabilities	3,697	-	-	-
<b>Total</b>	<b>4,108</b>	<b>360</b>	<b>3,261</b>	<b>1,065</b>

As at 31 March 2022	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
Borrowings	-	-	-	-
Trade and other payables	3	-	-	-
Other financial liabilities	165	-	-	-
<b>Total</b>	<b>168</b>	<b>-</b>	<b>-</b>	<b>-</b>

**C. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign exchange risk and other price risk, such as equity price risk and commodity risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Company's main exposure to interest risk arises from long term borrowings with floating rate. Since these borrowings are towards qualifying assets as per Ind AS 23, cost incurred has been capitalised and consequently does not have an impact in entity's profit or equity before tax. Hence sensitivity has not been disclosed.

**Foreign exchange risk**

The Company does not have any transactions in foreign currency.

22 Contingent liabilities and commitments

a) Contingent liabilities

The company did not have any contingent liabilities as at the balance sheet date and as at the comparable period end.

b) Commitments

	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts to be executed on capital account and not provided for	27,754	692
- Against which advances paid	2,414	61

Other commitments are cancellable at the option of the Company and hence not disclosed.

23 Segment reporting

In accordance with Ind AS 108, Operating Segments, the Company has identified manufacture and sale of organic chemicals as the only reportable segment.

24 Ratios

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	%Change
Current ratio #	Current assets	Current liabilities	1.46	14.70	-90%
Debt equity ratio @	Outstanding borrowings	Shareholders' equity	0.24	0.00	100%

# The Company has been incorporated in last quarter of the previous year. Hence it has only cash balance as at 31 March 2022.

@ The Company has availed term loan and letter of credit facility only during the current year.

\* Other ratios are not applicable as the Company has not started any operations

25 Deferred tax assets, (net)

As per the Indian Accounting Standard 12, "Income Taxes", the Company generates net deferred tax asset, comprising mainly of gratuity and compensated absences and carried forward losses. However, as subsequent realisation of deferred tax assets in near future is not probable, management is of the view that it is prudent not to recognise deferred tax asset as at 31 March 2023 and 31 March 2022.



**TCL Intermediates Private Limited**  
**Summary of significant accounting policies and other explanatory information**  
*(All amounts are in lakhs Indian Rupees (₹), unless otherwise stated)*

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**26 Disclosure as per rule 11(e) of the Companies Act**

- a) No funds have been advanced or loaned or invested by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**27 Events after the reporting period**

No adjusting or significant non-adjusting events have occurred between the reporting date (31 March 2023) and the date of approval of these financial statements (16 May 2023).

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In terms of our report attached

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076NN/500013




Sumesh E S  
Partner  
Membership No: 206931

Place : Chennai  
Date : 16 May 2023



For and on behalf of the Board of Directors of  
TCL Intermediates Private Limited  
CIN: U24290TN2021PTC146609



P M D Nair  
Managing director  
DIN : 07326079

Place : Chennai  
Date : 16 May 2023



Radha Jayaraman  
Director  
(DIN : 08436659)

Place : Chennai  
Date : 16 May 2023



Pramodkumar R  
Company Secretary

Place : Chennai  
Date : 16 May 2023

