Financial Statements and Independent Auditors' Report
TCL Intermediates Private Limited
31 March 2024

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 2024, 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 material accounting policy information 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 2024, 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 obtained is sufficient and appropriate to provide a basis for our opinion.

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

4. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

7. 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.

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8. 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;

   - 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; and

   - 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.

9. We communicate with the Board of directors 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

10. 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.

11. 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.

12. 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;

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b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

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 2024 from being appointed as a director in terms of section 164(2) of the Act;

f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2024.;

   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 2024.;

   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 2024;

   iv.

      a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 33 to the financial statements, 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 entity, 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, as disclosed in note 33 to the financial statements, no funds have been received by the Company from any person or entity, 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

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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 2024.

vi. As stated in note 34 to the financial statements and based on our examination which included test checks, except for instances mentioned below, the Company, in respect of financial year commencing on 1 April 2023, has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below;

Particulars	Details of exception noted
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The audit trail feature was not enabled at the database level for accounting software SAP B1 to log any direct data changes, used for maintenance of all relevant accounting records by the Company.
Instances of accounting software maintained by a third party where we are unable to comment on the audit trail feature	The accounting software (Relyon) used for maintenance of payroll records of the Company is operated by third party software service provider. In the absence of any information on the existence of audit trail feature in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with SAE 3402, Assurance Reports on Controls at a Service Organization), we are unable to comment whether the audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.

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

WALKER CHANDIOK & CO LLP
CHENNAI
CHARTERED ACCOUNTANTS

Vijay V Singh

Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN: 24059139BKEYHW9783

Bengaluru
10 May 2024

Annexure A referred to in paragraph 11 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 2024

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, capital work-in-progress and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment, capital work-in-progress, and relevant details of 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. However, no physical verification was carried out by the management of the Company during the year, and we are therefore unable to comment on the discrepancies, if any, which could have arisen on such verification.

(c) The title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 3 to the financial statements, are held in the name of the Company.

(d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.

(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 management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.

(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

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Annexure A referred to in Paragraph 11 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 2024

(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.

(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/ 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, 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 and 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, though idle funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.

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.

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Annexure A referred to in Paragraph 11 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 2024

(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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(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 fraud on the Company has been noticed or reported during the period covered by our audit.

(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) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(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.

(d) 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 year amounting to ₹ 665 lakhs and ₹ 106 lakhs respectively.

CHANDIOK & CO LLP CHENNAI CHARTERED ACCOUNTANTS

Annexure A referred to in Paragraph 11 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 2024

(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 in 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 accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

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

WALKER CHANDIOK & CO LLP * CHENNAI * CHARTERED ACCOUNTANTS *

Vijay V Singh

Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN : 24059139BKEYHW9783

Bengaluru
10 May 2024

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 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management 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 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 .

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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.

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 2024, 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 Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHENNAI * CHARTERED ACCOUNTANTS

Vijay V Singh

Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN: 24059139BKEYHW9783

Bengaluru
10 May 2024

TCL Intermediates Private Limited
Balance Sheet as at 31 March 2024
(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

	Note	As at 31 March 2024	As at 31 March 2023
Assets			
Non-current assets			
Property, plant and equipment	3	4,060	59
Capital work-in-progress	3	51,223	9,431
Intangible assets	3	7	11
Right of use assets	3	2,813	2,185
Financial assets			
(i) Other financial assets	4	125	78
Income tax assets (net)		3	-
Other non-current assets	5	9,038	4,073
Total non-current assets		**67,269**	**15,837**
Current assets			
Inventories	6	117	-
Financial assets			
(i) Investments	7	10	-
(ii) Cash and cash equivalents	8	924	2,737
(iii) Bank balances other than (ii) above	8	-	3,516
(iv) Other financial assets	4	2	-
Other current assets	5	320	-
Total current assets		**1,373**	**6,253**
Total assets		**68,642**	**22,090**
Equity and liabilities			
Equity			
Equity share capital	9	19,800	15,000
Other equity	11	(998)	(409)
Total equity		**18,802**	**14,591**
Liabilities			
Non-current liabilities			
Financial liabilities	18		
(i) Borrowings	12	38,916	3,175
(ii) Lease liabilities	13	608	-
Provisions	14	100	38
Total non-current liabilities		**39,624**	**3,213**
Current liabilities			
Financial liabilities	18		
(i) Borrowings	12	4,220	287
(ii) Lease liabilities	13	247	189
(iii) Trade payables	15		
(A) Total outstanding dues of micro enterprises and small enterprises		136	11
(B) Total outstanding dues other than micro enterprises and small enterprises		127	14
(iv) Other financial liabilities	16	5,439	3,697
Provisions	14	8	30
Other current liabilities	17	39	58
Total current liabilities		**10,216**	**4,286**
Total equity and liabilities		**68,642**	**22,090**

Notes 1 to 36 form an integral part of these financial statements
In terms of our report attached

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

Vijay V Singh

Vijay Vikram Singh
Partner
Membership No: 059139

Place : Chennai
Date : 10 May 2024

WALKER CHANDIOK & CO LLP * CHENNAI * CHARTERED ACCOUNTANTS

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 : 10 May 2024

Radha

Radha Jayaraman
Director
(DIN : 09436659)

Place : Chennai
Date : 10 May 2024

Saravanan N
Chief Financial Officer

Place : Chennai
Date : 10 May 2024

Pramodkumar R
Company Secretary
(ACS: 47895)

Place : Chennai
Date : 10 May 2024

TCL INTERMEDIATES PRIVATE LIMITED *

TCL Intermediates Private Limited
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

	Note	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	19	258	-
Other income	20	47	12
Total income		**305**	**12**
Expenses			
Cost of materials consumed	21	283	-
Changes in inventories of finished goods	22	(65)	-
Employee benefits expense	23	238	101
Finance costs	24	140	14
Depreciation and amortisation expenses	3	359	151
Other expenses	25	403	58
Total expenses		**1,358**	**324**
Loss before tax		**(1,053)**	**(312)**
Tax expense			
-Current tax		-	-
-Deferred tax		-	-
Total tax expense		**-**	**-**
Loss for the year		**(1,053)**	**(312)**
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
-Re-measurements of defined benefit liabilities	14	0	19
-Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of tax		**-**	**19**
Total comprehensive loss for the year		**(1,053)**	**(293)**
Earnings per equity share on Loss for the year	26		
Basic and diluted (in ₹)		(0.68)	(0.63)

Notes 1 to 36 form an integral part of these financial statements

In terms of our report attached

For **Walker Chandiok & 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

Vijay V Singh

WALKER CHANDIOK & CO LLP ★ CHENNAI ★ CHARTERED ACCOUNTANTS

Vijay Vikram Singh
Partner
Membership No: 059139

Place : Chennai
Date : 10 May 2024

PMC Nair
Managing director
(DIN : 07326079)

Place : Chennai
Date : 10 May 2024

Radha

Radha Jayaraman
Director
(DIN : 09436659)

Place : Chennai
Date : 10 May 2024

Saravanan N
Chief Financial Officer

Place : Chennai
Date : 10 May 2024

Pramodkumar R
Company Secretary
(ACS: 47895)

Place : Chennai
Date : 10 May 2024

TCL INTERMEDIATES PRIVATE LIMITED ★

TCL Intermediates Private Limited
Cash flow statement for the year ended 31 March 2024
(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
A. Cash flow from operating activities		
Loss before tax	**(1,053)**	**(312)**
Adjustments for:		
Depreciation and amortisation expense	359	151
Finance cost	140	14
Interest income	(28)	(12)
Dividend income from investments	(11)	-
Provision for employee benefits	43	68
Operating profit before working capital changes	**(550)**	**(91)**
Movements in working capital:		
Changes in inventories	(117)	-
Changes in other financial assets	(50)	(78)
Changes in other assets	(7,320)	(1,633)
Changes in trade and other payables	238	22
Changes in provisions & other liabilities	(22)	77
Changes in other financial liabilities	99	2
Cash used in operating activities	**(7,722)**	**(1,701)**
Direct tax paid (net)	(3)	-
Net cash used in operating activities	**(7,725)**	**(1,701)**
B. Cash flow from investing activities		
Capital expenditure on property, plant & equipment, capital work in progress and intangible assets including capital advances	(39,618)	(8,168)
Interest received	28	-
Purchase of investments (net)	(10)	-
Dividend received	11	-
Movement in balances with bank other than those mentioned in cash & cash equivalents	3,516	(3,504)
Net cash used in investing activities	**(36,073)**	**(11,672)**
C. Cash flow from financing activities		
Proceeds from borrowings	44,409	3,451
Repayment of borrowings	(5,065)	-
Proceeds from issue of equity shares	4,800	10,387
Payment of lease liabilities	(272)	(190)
Interest and other finance cost paid relating to borrowings	(1,776)	(8)
Other finance cost paid	(111)	-
Net cash generated from financing activities	**41,985**	**13,640**
D. Net cash (outflows)/ inflows during the year	**(1,813)**	**267**
E. Cash and cash equivalents at the beginning of the year	2,737	2,470
F. Cash and cash equivalents at the end of the year	**924**	**2,737**
Cash and cash equivalents comprise of:		
Balances with banks - in current accounts	924	2,737
Cash and cash equivalents as per note 8	**924**	**2,737**

Notes 1 to 36 form an integral part of these financial statements
In terms of our report attached

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

Vijay V Singh

Vijay Vikram Singh
Partner
Membership No: 059139

Place : Chennai
Date : 10 May 2024

WALKER CHANDIOK & CO LLP * CHENNAI * CHARTERED ACCOUNTANTS

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

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Managing director
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Chief Financial Officer

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Pramodkumar R
Company Secretary
(ACS: 47895)

Place : Chennai
Date : 10 May 2024

TCL INTERMEDIATES PRIVATE LIMITED *

TCL Intermediates Private Limited
Statement of Changes in Equity for the year ended 31 March 2024
(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

A. Equity Share Capital

As at 31 March 2024

Balance at the beginning of the year	Changes in equity share capital during the current year	Balance at the end of the year
15,000	4,800	19,800

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

B. Other Equity

Particulars	Surplus	Other reserves	Total other equity
	Retained earnings	Equity arising on Fair valuation of financial guarantee given by Holding Company	
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)**
Loss for the year	(1,053)	-	(1,053)
Other Equity Capital Contribution	-	464	464
Other comprehensive income	0	-	-
Balances at 31 March 2024	**(1,462)**	**464**	**(998)**

Notes 1 to 36 form an integral part of these financial statements
In terms of our report attached

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

Vijay V Singh

Vijay Vikram Singh
Partner
Membership No: 059139

Place : Chennai
Date : 10 May 2024

WALKER CHANDIOK & CO LLP * CHENNAI * CHARTERED ACCOUNTANTS

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

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Pramodkumar R
Company Secretary
(ACS: 47895)

Place : Chennai
Date : 10 May 2024

TCL INTERMEDIATES PRIVATE LIMITED *

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.

These financial statements were authorized for issue by the Company's Board of Directors on 10 May 2024.

2 Summary of material 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

WALKER CHANDIOK & CO LLP CHENNAI CHARTERED ACCOUNTANTS

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 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(Capital work in progress). 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) 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.

(iii) 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.

TCL INTERMEDIATES PRIVATE LIMITED

WALKER CHANDIOK & CO LLP CHENNAI CHARTERED ACCOUNTANTS

2.5 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

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.

2.6 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.

TCL INTERMEDIATES PRIVATE LIMITED

WALKER CHANDIOK & CO LLP CHENNAI CHARTERED ACCOUNTANTS

2.6 Financial instruments (continued)

(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.

- Classification and subsequent measurement of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables ,loans and borrowings including bank overdrafts.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss

2.8 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

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

WALKER CHANDIOK & CO LLP
CHENNAI
CHARTERED ACCOUNTANTS

2.9 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.

2.10 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.

TCL INTERMEDIATES PRIVATE LIMITED

WALKER CHANDIOK & CO LLP CHENNAI CHARTERED ACCOUNTANTS

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

Particulars	Property, plant and equipment								Intangible assets
	Buildings and Roads	Plant and equipment	Furniture and fixtures	Office equipment	Computer equipments	Total	Capital work-in-progress	Right of use assets	Computer software
Gross block									
Balance as at 01 April 2022	-	-	-	-	-	-	145	-	-
Additions	-	-	17	12	35	64	9,286	2,328	14
Balance as at 31 March 2023	-	-	17	12	35	64	9,431	2,328	14
Additions	-	3	30	7	14	54	45,810	909	3
Transfer on capitalisation	863	3,155	-	-	-	4,018	(4,018)	-	-
Balance As at 31 Mar 2024	863	3,158	47	19	49	4,136	51,223	3,237	17
Accumulated depreciation / amortisation									
Balance as at 01 April 2022	-	-	-	-	-	-	-	-	-
Depreciation/ amortisation for the year	-	-	0	0	5	5	-	143	3
Balance as at 31 March 2023	-	-	0	0	5	5	-	143	3
Depreciation/ amortisation for the year	8	42	4	3	14	71	-	281	7
Balance As at 31 Mar 2024	8	42	4	3	19	76	-	424	10
Net block									
Balance as at 31 March 2023	-	-	17	12	30	59	9,431	2,185	11
Balance as at 31 March 2024	855	3,116	43	16	30	4,060	51,223	2,813	7

Notes:
(i) Property, plant and equipment, Capital work in progress and right of use assets of the Company has been pledged as collateral for the Company's term loan (Also,refer note 12)
(ii) For contractual commitment with respect to property, plant and equipment refer note 31(b)
(iii) 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 28
(iv) Additions to Capital work in progress includes ₹ 2,390 lakhs of borrowing cost capitalised under Ind AS 23.

Disclosure in respect of Capital work-in-progress

i) As at 31 March 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress	45,811	5,412	-	-	51,223
(ii) Projects temporarily suspended	-	-	-	-	-
Total	45,811	5,412	-	-	51,223

ii) 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

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		As at 31 March 2024		As at 31 March 2023	
4	**Other financial assets**	**Non-current**	**Current**	**Non-current**	**Current**
	(Unsecured, considered good)				
	Security deposits	125	-	78	-
	Others	-	2	-	-
		125	2	78	-

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 and adequate allowances for losses have been provided.
(c) A description of the Company's financial instrument risks, including risk management objectives and policies are given in note 18.

		As at 31 March 2024		As at 31 March 2023	
5	**Other non financial assets**	**Non-current**	**Current**	**Non-current**	**Current**
	Considered good				
	a) Capital advances	212	-	2,414	-
	b) Advances other than capital advances				
	i) Supplier advances	-	1	-	-
	c) Others				
	i) Balance with Government authorities	8,826	-	1,584	-
	ii) Prepaid expenses	-	150	75	-
	iii) Unamortised gurantee fee	-	167	-	-
	iv) Others	-	2	-	-
		9,038	320	4,073	-

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

		As at 31 March 2024	As at 31 March 2023
6	**Inventories**		
	(valued at lower of cost and net realisable value)		
	Raw materials*	49	-
	Finished goods	65	-
	Stores and spares	3	-
		117	-

**Goods in transit as on 31 March 2024 amounting to ₹ 36 lakhs (31 March 2023: Nil)*

7	**Investments**		
	Quoted		
	ICICI Prudential mutual fund	10	-
	Total current investments	10	-
	Aggregate amount of:		
	-Quoted investments and market value thereof;	**10**	**-**
8	**Cash and bank balances**		
	Cash and cash equivalents		
	Balance with banks in current accounts	924	2,737
	Cash and cash equivalents as per statement of cash flows	924	2,737
	Bank balances other than mentioned in cash and cash equivalents		
	Deposit accounts (with original maturity greater than 3 months upto 12 months)	-	3,516
		-	3,516
	Total	924	6,253

		As at 31 March 2024		As at 31 March 2023	
9	**Equity share capital**	**Number**	**₹ in lakhs**	**Number**	**₹ in lakhs**
	Authorised				
	Equity shares of ₹ 10 each	250,000,000	25,000	150,000,000	15,000
		250,000,000	25,000	150,000,000	15,000
	Issued				
	Equity shares of ₹ 10 each	198,000,000	19,800	150,000,000	15,000
		198,000,000	19,800	150,000,000	15,000
	a) Reconciliation of outstanding equity shares				
	Opening balance as on 01 April	150,000,000	15,000	26,500,000	2,650
	Additions: Equity shares of ₹ 10 each				
	(i)for consideration by way of cash	48,000,000	4,800	103,865,920	10,387
	(ii)for consideration other than by way of cash	-	-	19,634,080	1,963
	Closing balance as on 31 March	198,000,000	19,800	150,000,000	15,000

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9 Equity share capital (continued)

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

	As at 31 March 2024		As at 31 March 2023	
	Number	**% holding**	**Number**	**% holding**
Equity shares of ₹ 10 each				
Thirumalai Chemicals Limited (Promoter)*	198,000,000	100%	150,000,000	100%
	198,000,000	**100%**	**150,000,000**	**100%**

* *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 year ended 31 March 2023, the Company had 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.

10 Capital management policies and procedures
The Company's capital management objectives are to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company maintains 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 otherwise.

The Company's net debt to equity ratio as at 31 March 2024 is as follows:	**As at 31 March 2024**	**As at 31 March 2023**
Total borrowings	43,136	3,462
Less: Cash and cash equivalents	(924)	(2,737)
Net Debt / (Cash position)	**42,212**	**725**
Total equity	**18,802**	**14,591**
Net Debt to equity ratio	**2.25**	**0.05**

11 Other equity

	As at 31 March 2024	**As at 31 March 2023**
I. Surplus		
(a) Retained earnings	(1,462)	(409)
Total Surplus	**(1,462)**	**(409)**
II. Other reserves		
(b) Equity arising on Fair valuation of financial guarantee given by Holding Company	464	-
	464	**-**
III. Total other equity (I+II)	**(998)**	**(409)**
(a) Retained earnings		
Balance at the beginning of the year	(409)	(116)
Add : Transfer from statement of profit and loss	(1,053)	(312)
Less : Transfer from Other comprehensive income	0	19
Balance at the end of the year	**(1,462)**	**(409)**

Retained earnings comprises of prior years' undistributed earnings after taxes, which can be utilised for purposes such as dividend payout etc.

12 Borrowings
Secured - measured at amortised cost

Non-current borrowings		
Term loan from banks	28,305	2,475
Letter of credits discounted	14,831	987
Total	**43,136**	**3,462**
Less: Current maturities of above borrowings	(4,220)	(287)
Non-current borrowings (as per balance sheet)	**38,916**	**3,175**
Current borrowings		
Letter of credit bills discounting	4,092	287
Term loan from banks	128	-
Current borrowings (as per balance sheet)	**4,220**	**287**
Total Borrowings	**43,136**	**3,462**

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

12 Borrowings (continued)

Notes:
i) As at 31 March 2024

Particulars	Terms of repayment	Security	Currency	Average rate of interest	Non - Current	Current
Term Loan - Axis Bank	Repayable in quarterly instalments starting from June 2025 until March 2031	Secured by way of first charge on property, plant and equipment , Capital work in progress and right of use asset of the Company.	INR	9%-10%	10,974	-
Term Loan - HDFC	Repayable in quarterly instalments starting from October 2025 until July 2031	Secured by way of first charge on property, plant and equipment , Capital work in progress and right of use asset of the Company.	INR	9%-10%	11,918	87
Term Loan - Kotak	Repayable in quarterly instalments starting from August 2025 until May 2031	Secured by way of first charge on property, plant and equipment , Capital work in progress and right of use asset of the Company.	INR	9%-10%	5,285	41
Letter of credit	Ranges from one month to three years	Secured by way of first charge on capital goods purchased using such letter of credit	INR	7%-8.9%	10,739	4,092
					38,916	**4,220**

ii) As at 31 March 2023

Particulars	Terms of repayment	Security	Currency	Average rate of interest	Non - Current	Current
Term Loan - Axis Bank	Repayable in 24 quarterly installments starting from June 2025	Secured by way of first charge on property, plant and equipment , Capital work in progress and right of use asset of the Company	INR	9%-10%	2,475	-
Letter of credit	Ranges from one month to three years	Secured by way of first charge on capital goods purchased using such letter of credit	INR	7.5%-8.9%	700	287
					3,175	**287**

iii) Reconciliation of movement of liabilities to cash flows arising from financing activities:	**Year ended 31 March 2024**	**Year ended 31 March 2023**
Balance at the beginning of the year	3,462	-
A) Changes from financing cash flows		
(i) Proceeds from borrowings	44,579	3,476
(ii) Transaction costs related to borrowings	(170)	(25)
(iii) Interest expense paid	(1,776)	(8)
(iv) Repayment of borrowings	(5,065)	-
Total changes from financing cash flows	**37,568**	**3,443**
B) Other changes		
(i) Interest expense accrued	2,390	19
(ii) Transaction costs related to borrowings	(298)	-
(iii) Effect of changes in foreign exchange rates	14	-
Total other changes	**2,106**	**19**
Balance at the end of the year	**43,136**	**3,462**

13 Lease Liabilities	**As at 31 March 2024**	**As at 31 March 2023**
Current	247	189
Non Current	608	-
Total	**855**	**189**

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14 Provisions	As at 31 March 2024		As at 31 March 2023	
	Non-current	Current	Non-current	Current
Provisions for employee benefits				
(i) Gratuity	65	3	27	21
(ii) Compensated absences	35	5	11	9
	100	8	38	30

Provision for employee benefits
i) Gratuity
Gratuity is payable to all the employees at the rate of 15 days salary for each year of service. In accordance with the Payment of Gratuity Act, 1972, 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 :

Change in present value of projected benefit obligation	As at 31 March 2024	As at 31 March 2023
Present value of benefit obligation at the beginning of the year	48	-
Interest cost	4	-
Current service cost	12	48
Liability transferred in	4	19
Benefits paid	-	-
Actuarial (gain)/ loss	0	(19)
Projected benefit obligation at the end of the year	**68**	**48**
Thereof		
Unfunded	**68**	**48**
Components of net gratuity		
Current service cost	12	48
Interest cost	4	-
Net gratuity costs recognised in the income statement (Also, refer note 26)	**16**	**48**
Actuarial (gain)/ loss recognised in other comprehensive income	**0**	**(19)**
Principal actuarial		
a) Discount rate	7.21%	7.41%
b) Long-term rate of compensation increase	10.00%	10.00%
c) Average future service	8 years	8 years
d) Attrition rate	10.00%	10.00%
e) Mortality table	Indian assured lives mortality (2012-14) urban	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.

Employee benefits - Maturity profile (undiscounted)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31 March 2024	-	4	18	57	79
31 March 2023	-	21	10	21	52

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 2024						
Sensitivity Level	1.00%	-1.00%	1.00%	-1.00%	1.00%	-1.00%
Impact on defined benefit	(1)	1	(5)	5	5	(5)
31 March 2023						
Sensitivity Level	1.00%	-1.00%	1.00%	-1.00%	1.00%	-1.00%
Impact on defined benefit	(1)	1	(2)	2	2	(2)

In presenting the above sensitivity analysis the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

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.

The principal actuarial assumptions used to determine the liability are same as disclosed for gratuity above.

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15 Trade payables	**As at 31 March 2024**	**As at 31 March 2023**
Total outstanding dues of micro enterprises and small enterprises (Also, refer note (b) below)	136	11
Total outstanding dues other than micro enterprises and small enterprises *	127	14
	263	**25**

* Of the above, ₹ 91 lakhs pertains to payable to Thirumalai Chemicals Limited (31 March 2023 ₹ 2 lakhs) (Also, refer note 30(c))

a) Trade payables ageing as on 31 March 2024

		Out standing for the following period from the due date				
Particulars	**Not due**	**Less than 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
(i) MSME	124	12	-	-	-	**136**
(ii) Others	117	10	0	-	-	**127**
(iii) Disputed MSME	-	-	-	-	-	**-**
(iv) Disputed Others	-	-	-	-	-	**-**
Total	**240**	**23**	**0**	**-**	**-**	**263**

Trade payables ageing as on 31 March 2023

		Out standing for the following period from the date of due date				
Particulars	**Not due**	**Less than 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
(i) MSME	11	-	-	-	-	**11**
(ii) Others	14	-	-	-	-	**14**
(iii) Disputed MSME	-	-	-	-		**-**
(iv) Disputed Others	-	-	-	-	-	**-**
Total	**25**	**-**	**-**	**-**	**-**	**25**

b) 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 2024	**As at 31 March 2023**
i)	a) Principal amount remaining unpaid included in Trade payables	136	11
	b) Principal amount remaining unpaid included in Capital creditors	1,526	168
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.	-	-

16 Other financial liabilities		
Capital creditors	5,338	3,695
Employee related payables	101	2
	5,439	**3,697**

17 Other current liabilities	**As at 31 March 2024**	**As at 31 March 2023**
Statutory dues	39	58
	39	**58**

18 Disclosures on financial instruments

I. Financial instruments by category

All financial assets and financial liabilities except investment in mutual funds 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. Investment in mutual funds are measured at fair value through profit and loss at each reporting date.

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18 Disclosures on financial instruments (continued)

II. Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

- **Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities
- **Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Notes:
(i) Level 1: level 1 hierarchy includes financial instruments measured using quoted prices. The mutual funds are valued using the closing NAV provided by the fund management company at the end of each reporting year.

(ii) The Company has not disclosed the fair values for cash and bank balances, other financial assets, trade payables, and other financial liabilities because their carrying amounts are a reasonable approximation to the fair value.

(iii) The Company does not have any other 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.

The notes below explains the sources of risk which the entity is exposed to and how the entity manages the risk.

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.

Other financial assets
Other financial assets mainly comprises of security deposits which are given to governmental agencies and are assessed by the Company for credit risk on a continuous basis.

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 2024	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
Borrowings	4,676	1,808	42,399	6,611
Lease liabilities	152	168	665	
Trade and other payables	263	-	-	-
Other financial liabilities	5,439	-	-	-
Total	**10,530**	**1,977**	**43,064**	**6,611**

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	-	-	-
Total	**4,108**	**360**	**3,261**	**1,065**

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18 Disclosures on financial instruments (continued)

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 material transactions in foreign currency.

		Year ended 31 March 2024	Year ended 31 March 2023
19	**Revenue from operations**		
	*Sale of products**		
	Manufactured goods	248	-
		248	**-**
	** Satistified at a point in time*		
	Other operating revenues		
	Sale of scrap (net of taxes recovered)	10	-
		10	**-**
		258	**-**
20	**Other income**		
	Interest income (Gross)	28	12
	Dividend income from investments	11	-
	Gain on foreign currency transaction/ translation (net)	8	-
		47	**12**
21	**a) Cost of materials consumed**		
	Inventory at the beginning of the year	-	-
	Add : Purchases during the year	332	-
		332	-
	Less: Inventory at the end of the year	49	-
		283	**-**
22	**Changes in inventories of finished goods**		
	Opening stock		
	Finished goods	-	-
		-	**-**
	Closing stock		
	Finished goods	65	-
		65	**-**
	Changes in inventories	**(65)**	**-**
23	**Employee benefits expenses**		
	Salaries, wages and bonus	152	30
	Gratuity expense (Also, refer note 14)	16	48
	Contribution to provident and other funds	3	1
	Staff welfare expenses	67	22
		238	**101**
24	**Finance costs**		
	Interest expense*	29	14
	Other borrowing costs	111	-
		140	**14**

*Net of Interest capitalised of ₹2,390 lakhs (31 March 2023 ₹84 lakhs).

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

	Year ended 31 March 2024	Year ended 31 March 2023
25 Other expenses		
Stores and spares consumed	4	-
Power and fuel	123	3
Repairs to:		
-Machinery	7	-
-Others	3	-
Packing expenses and materials consumed	3	-
Freight and forwarding	4	-
Rent	29	9
Insurance	4	-
Travelling and conveyance	4	2
Legal and professional charges	39	17
Payments to auditors	7	7
Fee paid to increase authorised share capital	75	-
Miscellaneous expenses	101	20
	403	**58**

26 Earnings per equity share (EPS)

	Year ended 31 March 2024	Year ended 31 March 2023
Basic and diluted earnings per share (₹)		
On profit for the year	(0.68)	(0.63)

Notes:
The earnings and weighted average numbers of equity shares used in the calculation of basic and diluted earnings per share are as follows:

(a) Earning used in the calculation of basic and diluted earnings per share:		
Loss for the year	(1,053)	(312)
(b) Weighted average number of equity shares used in the calculation of basic and diluted earnings per share:		
Weighted average number of equity shares outstanding during the year	155,814,208	49,408,219

27 Deferred taxes
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 2024 and 31 March 2023.

28 Leases	As at 31 March 2024	As at 31 March 2023
Lease Liablilities	855	189
	855	**189**

i) The Company has entered into lease arrangements for building 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 following are amounts recognised in profit or loss:-	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation expense of right-of-use assets	281	143
Interest expense on lease liabilities	29	14
Total	**310**	**157**
iv) Total cash outflow pertaining to leases		
Total cash outflow pertaining to leases during the year ended	(272)	(190)

v) Class of underlying asset for Right of use	As at 31 March 2024	As at 31 March 2023
Lease hold land	2,004	2,004
Tank	1,233	324
	3,237	**2,328**

29 Ratios

Particulars	Numerator	Denominator	31 March 2024	31 March 2023	%Change
Current ratio #	Current assets	Current liabilities	0.13	1.46	-91%
Debt equity ratio @	Outstanding borrowings	Shareholders' equity	2.29	0.24	867%

The Company is in the process of construction of chemical manufacturing plant. Also, refer note 35.
@ Due to additional term loan and letter of credit facility only during the current year.
* Other ratios are not applicable as the Company has not started its full fledged operations.

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WALKER CHANDIOK & CO LLP CHENNAI CHARTERED ACCOUNTANTS

30 Related parties

a) Names of related parties and nature of relationship:

Nature of relationship	Name of related party
Holding Company	Thirumalai Chemicals Limited
Key Management Personnel	**Company Executives** Mr. Parameshwaran Mohanachandra Nair (Managing Director) Mr. Pramodkumar R (Company Secretary)

b) Transactions with related parties

Transaction	Related Party	Year ended 31 March 2024	Year ended 31 March 2023
Remuneration to Key Managerial Personnel*	Mr. Parameshwaran Mohanachandra Nair	61	54
	Mr. Pramodkumar R	8	2
Purchase of goods	Thirumalai Chemicals Limited	5,085	765
Scrap sales	Thirumalai Chemicals Limited	10	-
Receipt of services	Thirumalai Chemicals Limited	87	-
Rental expense	Thirumalai Chemicals Limited	13	2
Transfer of lease hold rights	Thirumalai Chemicals Limited	-	1,963
Fair value of financial guarantee	Thirumalai Chemicals Limited	464	-
Notional guarantee expense	Thirumalai Chemicals Limited	134	-
Reimbursement of expenses	Thirumalai Chemicals Limited	70	384

*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 2024	As at 31 March 2023
Capital creditors	Thirumalai Chemicals Limited	55	1,149
Trade payables	Thirumalai Chemicals Limited	91	2

31 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 2024**	**As at 31 March 2023**
i) Estimated amount of contracts to be executed on capital account and not provided for	5,954	27,754
- Against which advances paid	212	2,414

ii) The Company has various lease contracts that are non cancellable and the future lease payments for these non-cancellable lease contracts are ₹ 855 lakhs(previous year: ₹ 189 lakhs). Also refer note 28.

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CHENNAI
CHARTERED ACCOUNTANTS

32 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.

33 Disclosure as per rule 11(e) of the Companies Act 2013

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.

34 Maintainence of audit trail

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company, in respect of financial year commencing on 1 April 2023 has used an accounting software SAP B1 for maintaining books of account which has a feature of recording audit trail (edit log). The Company had not enabled the feature of recording audit trail (edit log) at the database level for the said accounting software to log any direct data changes as the same consume storage space on the disk and can impact database performance significantly. The access to database IDs with Data Manipulation Language (DML) authority, which can make direct data changes (create, change, delete) at database level are limited to specific individuals and no changes has been made at database level during the current year.

Further, the Company, has used accounting software (Rely on) which is operated by a third-party software service provider for maintaining payroll records. The 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with SAE 3402, Assurance Reports on Controls at a Service Organization) does not include details on testing of controls relating to audit trail feature. Further, we understand from the service provider that the software does not have the feature of recording audit trail and hence we have migrated to new software from 01 April 2024.

35 Operational outlook

The Company has incurred a loss after tax of ₹ 1,053 Lakhs and has negative cash flow from operations of Rs. 7,725 lakhs for the year ended 31 March 2024 and as of that date Company's current liabilities exceed current assets by ₹ 8,843 lakhs and an accumulated loss of Rs. 1,462 lakhs . These events or conditions may cast a significant doubt about the Company's ability to continue as a going concern. The Company is currently in the construction phase of its main plant for producing PAN (Phthalic Anhydride), which is expected to be commissioned in July 2024. The current liabilities of the Company primarily consist of capital creditors and Letter of credit bills discounted. These liabilities are expected to be converted into long-term loans as per the agreed terms with the banks for which moratorium period is 2 years. As of 31 March 2024, the Company has both unfunded and funded undrawn facilities of ₹ 16,744 lakhs. Additionally, the board of directors of the Holding Company has approved a total equity investment of ₹25,000 lakhs(invested upto current year ₹ 19,800 lakhs). These facilities will be utilized to meet ongoing and already incurred construction expenses. Therefore, these conditions and mitigating factors indicates that there is no material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and accordingly, these financial statements have been prepared on a going concern basis.

36 Events after the reporting period

No adjusting or significant non-adjusting events have occurred between the reporting date (31 March 2024) and the date of approval of these financial statements (10 May 2024)

In terms of our report attached

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

Vijay V Singh

Vijay Vikram Singh
Partner
Membership No: 059139

WALKER CHANDIOK & CO LLP * CHENNAI * CHARTERED ACCOUNTANTS

Place : Chennai
Date : 10 May 2024

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 : 10 May 2024

Radha

Radha Jayaraman
Director
(DIN : 09436659)

Place : Chennai
Date : 10 May 2024

Saravanan N
Chief Financial Officer

Place : Chennai
Date : 10 May 2024

Pramodkumar R
Company Secretary
(ACS: 47895)

Place : Chennai
Date : 10 May 2024

TCL INTERMEDIATES PRIVATE LIMITED *