

Ref. No.SH/13/2023.  
2<sup>nd</sup> June, 2023

National Stock Exchange of India Ltd.,  
Exchange Plaza, 5<sup>th</sup> floor,  
Plot No. C/1, G. Block,  
Bandra-Kurla Complex,  
Bandra (East),  
MUMBAI – 400051

BSE Limited.  
Market-Operation Dept.,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Bldg., P.J. Towers,  
Dalal Street,  
Fort, MUMBAI 400023

**Sub.: Notice of 81<sup>st</sup> Annual General Meeting and Annual Report for the  
Financial Year 2022-2023.**

**Ref.: Regulation 34 of SEBI (Listing Obligations & Disclosures  
Requirements) Regulations 2015**

We wish to inform that 81<sup>st</sup> Annual General Meeting (AGM) of the Members of the Company will be held on Wednesday, the 28<sup>th</sup> June, 2023 at 4.00 p.m. at Walchand Hirachand Hall, Indian Merchants' Chamber, Near Churchgate Station, 76, Veer Nariman Road, Mumbai - 400020. We enclose herewith Annual Report for FY 2022-2023 along with Notice of 81<sup>st</sup> AGM for your records.

Please take the same on records.

Thanking you,  
Yours faithfully,  
For The Supreme Industries Ltd.

  
(R. J. Saboo)  
Vice President (Corporate Affairs) &  
Company Secretary



**The Supreme Industries Limited**

**Regd. Office :** 612, Raheja Chambers, Nariman Point, Mumbai 400021, INDIA.

**CIN :** L35920MH1942PLC003554 **PAN :** AAAC1344F

+91-022-6257 0000 / 6257 0025

sil\_narimanpoint@supreme.co.in

**Corporate Office :** 1161 & 1162, Solitaire Corporate Park, Bldg. No. 11, 167, Guru Hargovindji Marg, Andheri - Ghatkopar Link Road, Chakala, Andheri (East), Mumbai 400 093, INDIA. +91 (022) 6257 0000, 6257 0025 sil\_narimanpoint@supreme.co.in www.supreme.co.in

**81<sup>st</sup>**

**2022-23  
ANNUAL  
REPORT**

**Supreme<sup>®</sup>**  
People who know plastics best



**GROWING RESPONSIBLY  
TOUCHING LIVES, SPREADING SMILES!**



**THE SUPREME INDUSTRIES LIMITED**



## Growing Responsibly Touching Lives, Spreading Smiles !

Now that we are past the eight decade threshold and stepping into the ninth decade of our operations, one look back of introspection is in order. We are glad we started off and have remained steadfast on our path of values above business. The values of care, ethics and compassion still serve as the foundation on which we have built our edifice of growth and leadership.

Values that inspire us to grow responsibly...reach out and touch lives, raise the quality of living and spread smiles all around.

It is a matter of pride that this too has been a year, blazing with multiple milestones of growth achievements, record performances, expansions and more. However, the pride goes manifold as we see the visible signs of Supreme's success saga revolving around the people and the planet. Every endeavour, every step and every innovation we create has helped change life for the better.

A notable contribution is preserving our environment to unfold a greener tomorrow for future generations.

**At Supreme, we define a better world - 'as one with better life for all'.**

We achieve this by delivering superior, functional and durable products.

This is something we have achieved with our constant quest for better manufacturing technologies and breakthrough products. We also continue to expand our footprints both in manufacturing facilities and distribution network, across the country.

Complementing the pan-India manufacturing network are our strong in-house facilities for new product development, enabling, Supreme to innovate several path-breaking products in India.

Products like - Cross laminated films, Multilayer films, SWR Plumbing Systems, Silent Pipe Systems, Lacquer finish & Painted furniture, Low density cross-linked PE foam, Irradiation cross-linked PE foam, EPDM foam, Injection Moulded Pallets, Underground Drainage & Sewerage Systems, Cable Shield Electrical Conduit System, Industrial Valves, Plain & Braided Hoses, Bath Fittings and Manholes are some of the products pioneered in the country by Supreme.

Supreme is a complete solution provider to all its stakeholders. Our focus remains on financial prudence, increasing our share of value-added product sales, environment and sustainability.



Today, Supreme as a leading corporate citizen is truly transforming lives and will continue to grow responsibly.

Adopting a low-carbon growth strategy; Supreme is pursuing a holistic approach to mitigate climate change and produce plastic products with minimal impact to the environment. For example Supreme Industrial Product Division has taken all possible measures towards sustainable production process, which includes usage of renewable energy, resource conservation, judicious water management and more. The division is aiming to achieve Carbon Neutrality for Chennai plant by 2025 and other plants by 2035.

Similarly, we are committed to the development of packaging solutions that are sustainable & environment-friendly. Supreme has also been working towards increasing the recyclability of its high barrier packaging films.

From pallets, crates to plastic furniture - all are suitable and sustainable replacements of scarce resources, such as wood, and steel, saving precious forests and thus contributing to a greener India.

Upholding Supreme's commitment to sustainability, Supreme Protective Packaging Division offers a range of products with RÖHs and REACH compliance. INSU range of products carry CII Green Pro Certification and is also certified by GRIHA (For energy conservation in green buildings).

Supreme XF Division has always upheld the highest values of sustainability and environment care. Silpaulin films are made from recyclable material which is ideal for environment as it is used for rain water harvesting, pond lining & canal lining.

Our core values of care and passion are guiding lights in paving the path to a sustainable future for our coming generations. We have imbibed clean technologies, constantly minimizing our carbon footprints. Going a step further, we have expanded our energy basket with greater reliance on renewable energy like Solar & Wind Power. Today, Supreme's 24 number of plant's utilize Green Energy.

During FY 21-22, 33 million units of RE were consumed which is about 12% of the overall energy consumption. Supreme expects to increase it's renewable energy utilization by 20% by the end of this year.

Finally, we are constantly pursuing our social care programmes with a mission-like dedication. To empower and enrich the less privileged sections of our society, we have identified focus areas like healthcare, education, sanitation, clean drinking water, empowerment of women, skill development, social infrastructure and more.

We are a Group working every moment to live up to our name 'Supreme' and what it stands for.

**Supreme**<sup>®</sup>  
People who know plastics best



## Board of Directors



### Sitting from left to right

**Shri R. Kannan**  
Independent Director

**Shri R. M. Pandia**  
Independent Director

**Shri B. L. Taparia**  
Chairman

**Shri Sarthak Behuria**  
Independent Director

**Ms Ameeta Aziz Parpia**  
Independent Director

### Standing from left to right

**Shri S. J. Taparia**  
Executive Director

**Shri M. P. Taparia**  
Managing Director

**Shri Vipul Shah**  
Independent Director

**Shri Pulak Prasad**  
Non Executive Director

**Shri V. K. Taparia**  
Executive Director

**PERFORMANCE HIGHLIGHTS**

(₹ In Crores)

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Market Capitalization	6637.79	8577.49	9395.54	13879.59	15167.64	14148.89	11022.12	25881.72	25954.77	<b>31904.70</b>
Polymers Processed (MT)	285539	303812	242968	359930	366714	400248	428272	388620	400166	<b>505995</b>
Product Sales (MT)	275463	301930	235306	340906	371176	397983	411521	409109	393908	<b>506501</b>
Sales	4343.33	4691.38	3327.76	4998.96	5108.94	5611.67	5511.27	6355.13	7772.81	<b>9201.49</b>
Less: Excise Duty	438.51	472.39	367.70	537.19	139.14	-	-	-	-	-
Net Sales	3904.83	4218.99	2960.06	4461.77	4969.80	5611.67	5511.27	6355.13	7772.81	<b>9201.49</b>
Other Income	67.51	42.46	10.82	8.02	16.51	20.80	18.79	28.46	67.70	<b>81.86</b>
Total Income	3972.34	4261.45	2970.88	4469.79	4986.31	5632.47	5530.06	6383.59	7840.51	<b>9283.35</b>
Operating Profit (EBITDA)	599.03	672.65	471.71	769.61	803.04	804.57	853.72	1312.74	1309.89	<b>1281.84</b>
Interest	76.14	57.95	28.88	30.24	20.64	26.00	20.18	22.05	5.15	<b>8.02</b>
Gross Profit	522.88	614.70	442.83	739.37	782.40	778.57	833.54	1290.69	1304.74	<b>1273.82</b>
Depreciation	101.54	138.95	104.57	154.29	167.15	183.54	205.67	212.78	229.52	<b>263.39</b>
Profit Before Tax & Exceptional Items	421.35	475.75	338.26	585.08	615.25	595.03	627.87	1077.91	1075.22	<b>1010.43</b>
Exceptional Items/(Loss)	-	-	-7.69	-	-	81.75	-	-	-	-
Tax	-139.98	-160.04	-117.65	-205.78	-205.70	-215.75	-131.47	-276.53	-263.33	<b>-245.96</b>
Profit after Tax	281.37	315.71	212.92	379.30	409.55	461.03	496.40	801.38	811.89	<b>764.47</b>
Other Comprehensive Income	0.00	0.00	-1.43	-2.13	-0.62	-2.36	-4.23	-1.30	-0.94	<b>-2.78</b>
Total Comprehensive Income	281.37	315.71	211.49	377.17	408.93	458.67	492.17	800.08	810.95	<b>761.69</b>
Paid up Equity Capital (FV Rs.2)	25.41	25.41	25.41	25.41	25.41	25.41	25.41	25.41	25.41	<b>25.41</b>
Reserves and Surplus*	938.28	1206.92	1196.73	1528.04	1707.64	1967.24	2107.18	2843.76	3362.53	<b>3819.35</b>
Shareholders' Funds	963.69	1232.33	1222.14	1553.45	1733.05	1992.65	2132.59	2869.17	3387.94	<b>3844.76</b>
Net Debts (After Adjusted Surplus In CC Account)	451.88	276.51	412.09	228.36	245.08	147.13	217.63	-758.22	-517.54	<b>-737.68</b>
Long Term Loans	349.98	296.22	248.26	64.06	1.35	1.12	0.88	0.61	-	-
Deferred Tax Liability (Net)	116.75	90.58	105.48	116.26	113.40	120.36	90.11	91.92	90.44	<b>90.81</b>
Capital Employed**	1430.42	1619.13	1575.88	1733.77	1847.80	2114.13	2223.58	2961.70	3478.38	<b>3935.57</b>
Net Fixed Assets***	1087.90	1032.50	1184.67	1263.30	1353.38	1520.97	1607.74	1714.28	1767.28	<b>2064.24</b>
Basic & Diluted Earning Per Share (Before exceptional income/loss)	22.15	24.85	17.37#	29.86	32.24	31.40	39.08	63.09	63.91	<b>60.18</b>
Basic & Diluted Earning Per Share (After exceptional income/loss)	22.15	24.85	16.76#	29.86	32.24	36.29	39.08	63.09	63.91	<b>60.18</b>
Cash Earning Per Equity Share (Rs.)	30.14	35.79	24.88	41.84	45.35	50.56	54.93	79.72	81.89	<b>80.68</b>
Book Value (Rs.)	75.87	97.01	96.21	122.29	136.43	156.87	167.85	225.83	266.66	<b>302.62</b>
Dividend (%)	400.00	450.00	375.00	750.00	600.00	650.00	700.00	1100.00	1200.00	<b>1300.00</b>
ROACE(PBIT excluding exceptional items/ Average Capital Employed)% **** ^	34.81	33.15	29.87	36.24	34.70	30.23	28.97	41.78	33.39	<b>27.26</b>
ROANW (PAT / Average Net Worth) % ^	31.88	28.75	23.13	27.33	24.92	24.75	24.07	32.04	25.95	<b>21.14</b>
Debt : Equity (Long Term Debt / Total Net worth)	0.36	0.24	0.20	0.04	0.00	0.00	0.00	0.00	-	-
Debt: Equity (Total Debt / Total Net Worth)	0.47	0.22	0.34	0.15	0.14	0.08	0.10	-	-	-

\* Excluding revaluation reserves

\*\* Shareholders' funds + Long Term Loans + Deferred Tax Liability

\*\*\* Excluding revaluation reserve & Capital work in Progress & Assets held for disposal

\*\*\*\* ROACE=PBIT (Interest is excluding interest on working capital loans & unsecured loans)/Avg. Capital employed

# Figure Not Annualised

^ FY 2015-16 Figures Annualised

Previous year figure have been regrouped where ever required.



Supreme Stall  
was well appreciated  
by visitors at the  
**Plast India Exhibition  
2023, New Delhi**



Supreme regularly participates in various trade shows both in the **Domestic** and **International** markets.



Ace Reflect, Ludhiana



Big 5 Exhibition, Dubai



LPG Week 2022, New Delhi



Pack Expo 2022, USA



Acetech, Hyderabad



India Warehousing Show 2022



Plumbing Workshops and Professional Training Programs were carried out at various locations.



Awards  
and  
Accolades



Econaur Sustainability Award 2022



Dun and Bradstreet Award 2022



Grow Care India Sustainability Award 2022



CI 23<sup>rd</sup> National Award for Excellence in Energy Management - 2022 for Jalgaon, Lalru & Kanpur Units



## Hosur Plant



## Supreme Industries Plants

- Hosur
- Cuttack
- Kharagpur
- Jadcherla



Cuttack Plant



Kharagpur Plant



Jadcherla Plant



## Supreme goes Green with Solar Energy

- Supreme's 24 number of plants utilize Green Energy.
- Present installed capacity of Roof Top Solar installations is 28 Mwp and it is expected to reach approx 40 Mwp by the year 2023-24.



Solar Plant at Cuttack



Solar Plant at Erode



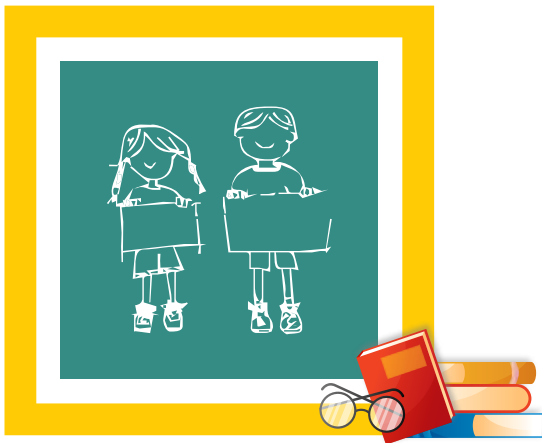
Solar Plant at Khopoli



Solar Plant at Halol Composite



Solar Plant at Kharagpur



## Supreme Foundation

A initiative by Supreme

- The Foundation has undertaken major projects such as education and healthcare for children. Supreme Foundation is providing volunteer teachers in primary/secondary schools in nine districts in Rajasthan and also lecturers in Sanskrit colleges in the entire state.
- All these initiatives have been undertaken with the active support of the education department of Government of Rajasthan.
- Physical resources like classroom construction, toilet blocks for students, classroom furniture, educational material, sweaters etc. have also been undertaken.
- Digital-first education with provisions like computer labs, mobile computer labs and e-learning facilities have also been enabled by Supreme Foundation.





## Nurturing the Nature For a better future!

Supreme actively participates in environment conservation activities such as tree plantation, across all company plants and facilities. Apart from new plantations, old plantations are also monitored continuously for their growth and survival. This continuous initiative by Supreme Foundation has been well-appreciated.

Supreme has also partnered with various NGO's for plantation programs in various regions. Our 'Volunteer Teachers' helped to plant over 100,000 trees as a part of this afforestation program.



## Swachh Bharat Abhiyan Public convenience facilities at Jalgaon

There are many prominent places/junctions at Jalgaon without proper public convenience facilities. At the request and initiation of the District Collector, Jalgaon - Supreme Foundation has taken the initiative to build and maintain such facilities for public convenience. Three facilities are already operational and more such facilities are planned in the coming year.



## Company Information

### BOARD OF DIRECTORS

B. L. Taparia, Chairman  
M. P. Taparia, Managing Director  
S. J. Taparia, Executive Director  
V. K. Taparia, Executive Director  
R. Kannan, Director  
R. M. Pandia, Director  
Ms. Ameeta Parpia, Director  
Sarthak Behuria, Director  
Pulak Prasad, Additional Director (w.e.f. 28<sup>th</sup> April'23)  
Vipul Shah, Additional Director (w.e.f. 28<sup>th</sup> April'23)

### BANKERS

Axis Bank Ltd.  
Citi Bank  
HDFC Bank Ltd.  
HSBC  
ICICI Bank Ltd.  
J.P.Morgan Chase Bank  
Kotak Mahindra Bank Ltd.  
Standard Chartered Bank  
Yes Bank Ltd.

### CHIEF FINANCIAL OFFICER

P. C. Somani

### VP (CORPORATE AFFAIRS) & COMPANY SECRETARY

R.J. Saboo

### AUDITORS

M/s. Lodha & Co.  
Chartered Accountants

### REGISTERED OFFICE

612, Raheja Chambers, Nariman Point, Mumbai 400 021.  
Tele: 022-62570000, 62570025  
Website: <http://www.supreme.co.in>  
Email: [investor@supreme.co.in](mailto:investor@supreme.co.in)  
CIN: L35920MH1942PLC003554

### CORPORATE OFFICE

1161 & 1162 Solitaire Corporate Park,  
167, Guru Hargovindji Marg, Andheri Ghatkopar Link Road,  
Andheri (E), Mumbai 400 093  
Tele: 022-40430000, 68690000  
Website: <http://www.supreme.co.in>  
Email: [supreme@supreme.co.in](mailto:supreme@supreme.co.in)

### WORKS

1. Cuttack (Odisha)
2. Derabassi (Punjab)
3. Durgapur (West Bengal)
4. Erode (Tamilnadu)
5. Gadegaon (Maharashtra)
6. Chiloth (Rajasthan)
7. Guwahati Unit I (Assam)
8. Guwahati Unit II (Assam)
9. Halol – Unit I (Gujarat)
10. Halol – Unit II (Gujarat)
11. Halol – Unit III (Gujarat)
12. Halol – Unit IV (Gujarat)
13. Hosur (Tamil Nadu)
14. Jalgaon – Unit I (Maharashtra)
15. Jalgaon – Unit II (Maharashtra)
16. Jadcherla (Telangana)
17. Kanhe (Maharashtra)
18. Kanpur (Uttar Pradesh)
19. Kharagpur (West Bengal)
20. Khopoli (Maharashtra)
21. Malanpur – Unit I (Madhya Pradesh)
22. Malanpur – Unit II (Madhya Pradesh)
23. Malanpur – Unit III (Madhya Pradesh)
24. Noida (Uttar Pradesh)
25. Puducherry (Union Territory)
26. Silvassa (Union Territory)
27. Sriperumbudur (Tamil Nadu)
28. Urse (Maharashtra)

### OFFICES

- |              |                 |               |
|--------------|-----------------|---------------|
| 1. Ahmedabad | 8. Kolkata      | 15. Guwahati  |
| 2. Bangalore | 9. Mumbai       | 16. Patna     |
| 3. Chennai   | 10. Noida       | 17. Ranchi    |
| 4. Cochin    | 11. Pune        | 18. Raipur    |
| 5. Hyderabad | 12. Jaipur      | 19. Vijaywada |
| 6. Indore    | 13. Jabalpur    |               |
| 7. Kanpur    | 14. Bhubaneswar |               |

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## The Supreme Industries Limited

**Regd. Office:** 612, Raheja Chambers, Nariman Point, Mumbai - 400021  
CIN:L35920MH1942PLC003554  
Email: investor@supreme.co.in, Website: www.supreme.co.in  
Tel.: 022-6257 0000, 6257 0025

### Notice

NOTICE is hereby given that the 81<sup>st</sup> Annual General Meeting of the Members of The Supreme Industries Limited will be held at Walchand Hirachand Hall, Indian Merchants' Chamber, Near Churchgate Station, 76, Veer Nariman Road, Mumbai - 400020, on Wednesday the 28<sup>th</sup> June 2023, at 4.00 p.m. to transact with or without modification(s), as may be permissible, the following business.

#### ORDINARY BUSINESS:

- To receive, consider and adopt:
  - The Audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2023, including the Audited Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit & Loss and Cash Flow Statement, for the year ended on that date and reports of the Board of Directors and Auditors thereon.
  - The Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2023.
- To appoint a Director in place of Shri V. K. Taparia (Director Identification No. 00112567), who retires by rotation and being eligible, offers himself for reappointment.
- To declare final dividend on Equity Shares for the Financial Year ended 31<sup>st</sup> March, 2023 and to confirm payment of Interim dividend on Equity Shares declared by the Board of Directors of the Company.
- To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to recommendation made by the Audit Committee of the Board, the Auditors as per details given in the explanatory statement to this resolution be and are hereby appointed as Branch Auditors of the Company for the period of two years and the Board be and is hereby authorised to fix the remuneration as may be determined by the Audit Committee in consultation with the Company's Auditors in addition to reimbursement of all out of pocket expenses as may be incurred in connection with the audit of the accounts of the Company.

**"RESOLVED FURTHER THAT** Board be and is hereby authorized to appoint Branch Auditors of any branch of the Company, whether existing or which may be opened/acquired hereafter during the Financial Year 2023-24 & 2024-2025, in consultation with the Company's auditors, any person(s) qualified to act as Branch Auditors and to fix their remuneration."

#### SPECIAL BUSINESS

- Re-appointment of Shri Sarthak Behuria (DIN: 03290288) as an Independent director of the Company for a period of five years from 7<sup>th</sup> May, 2024 to 6<sup>th</sup> May, 2029 and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution.**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule IV of the Companies Act, 2013 and Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, as amended from time to time and based on the recommendation of the Nomination & Remuneration Committee and approval of Board of Directors of the Company, the approval of members of the Company, be and is hereby accorded for re-appointment of Shri Sarthak Behuria (DIN: 03290288), being eligible, as an Independent Director of the Company, not liable to retire by rotation, to hold office for a further period of five years from 7<sup>th</sup> May, 2024 to 6<sup>th</sup> May, 2029, whose current period of office is expiring on 6<sup>th</sup> May 2024 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160(1) of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.

- Re-appointment of Ms. Ameeta Parpia (DIN: 02654277) as an Independent director of the Company for a period of five years from 7<sup>th</sup> May, 2024 to 6<sup>th</sup> May, 2029 and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution.**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule IV of the Companies Act, 2013 and other applicable provisions, if any, as amended from time to time and based on the recommendation of the Nomination & Remuneration Committee and approval of Board of Directors of the Company, the approval of members of the Company, be and is hereby accorded for re-appointment of Ms. Ameeta Parpia (DIN: 02654277), being eligible, as an Independent Director of the Company, not liable to retire by rotation, to hold office for a further period of five years from 7<sup>th</sup> May, 2024

to 6<sup>th</sup> May, 2029, whose current period of office is expiring on 6<sup>th</sup> May 2024 and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director pursuant to Section 160(1) of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.

**7. Appointment of Shri Vipul Shah (DIN: 00174680) as an Independent director of the Company for a period of five years from 28<sup>th</sup> April, 2023 to 27<sup>th</sup> April, 2028 and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution.**

**RESOLVED THAT** Shri Vipul Shah (DIN: 00174680) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 28<sup>th</sup> April, 2023 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 (1) of the Companies Act, 2013("Act") and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and based on the Recommendation of the Nomination & Remuneration Committee and approval of Board of Directors of the Company, the approval of members of the Company be and is hereby accorded for appointment of Shri Vipul Shah (DIN: 00174680), being eligible as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from 28<sup>th</sup> April, 2023 to 27<sup>th</sup> April, 2028.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.

**8. To appoint Shri Pulak Prasad (DIN: 00003557) as a Non-Executive Director of the Company and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.**

**"RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules framed thereunder (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation and approval of the Nomination and Remuneration Committee and the Board of Directors of the Company, Shri Pulak Prasad (DIN: 00003557), who was appointed by the Board of Directors as an Additional Director (Non-Executive Director) with effect from 28<sup>th</sup> April, 2023 pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company, and who holds office as an Additional Director up to the date of this Annual General Meeting of the Company, and in respect of whom the Company has received a notice

in writing from a Member under Section 160 of the Act, proposing his candidature for the office of Director of the Company, being so eligible, be and is hereby appointed as a Director (Non-Executive and Non-Independent), liable to retire by rotation."

**9. To approve re-appointment and remuneration of Shri M.P. Taparia (Director Identification No. 00112461) as a Managing Director of the Company and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution.**

**"RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee to the Board of Directors (Board) and approval thereof by the Board and in accordance with the provisions of Section 196, 197, 198 and 203 read with Schedule – V and other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification or re-enactment thereof) and the Articles of Association of the Company, and subject to such other approvals as may be necessary, approval of the members of the Company be and is hereby accorded to the re-appointment of Shri M.P. Taparia, as Managing Director of the Company, for a further period with effect from 7<sup>th</sup> January, 2024 to 30<sup>th</sup> September 2027 and payment of remuneration and perquisites to him on the following revised terms and conditions with liberty to the Board (which term shall include any committee constituted by the Board) from time to time to alter the said terms and conditions and to revise upwards the salary and perquisites as herein mentioned in such manner as may be decided by the Board in the best interest of the Company and as may be permissible at law viz:-

(1) Salary

Monthly salary of ₹ 24,00,000/- (Rupees Twenty-Four Lakhs only) in the Grade of ₹ 13,50,000/- ₹ 1,50,000/- ₹ 25,50,000/- ₹ 2,00,000/- ₹ 35,50,000/- per month, during his tenure of office (first increment falling due on, 1<sup>st</sup> April, 2024).

(2) Allowances / Benefits / Perquisites

A. Housing - Rent free furnished residential accommodation. In case, no accommodation is provided by the Company, the Managing Director shall be paid House Rent Allowance equivalent to 50% of salary.

B. Other Perquisites / Allowances

- i. Reimbursement of actual medical expenses incurred in India and / or abroad including hospitalization for self and family.
- ii. Leave Travel Concession for self and family once in a year incurred in accordance with the Rules of the Company applicable to Senior Management Staff / Personnel of the Company.
- iii. Medical and Personal Accident Insurance.
- iv. Reimbursement of membership fees / subscription, subject to a maximum of two clubs in India.
- v. Conveyance: The Company shall provide suitable conveyance facilities as may be required by the Managing Director.
- vi. Communication: The Company shall provide telephone, telefax and other communication facilities at the Managing Director's residence.

Perquisites shall be evaluated as per Income Tax Rules where applicable. "Family" shall mean spouse and dependent children of the Managing Director.

- C. (i) Contribution to Provident fund, superannuation fund or annuity fund as per the Rules of the Company to the extent these either singly or put together do not exceed the limit laid down under the Income Tax Act, 1961 or under any statutory modification or re-enactment thereof;
- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, the service of the Managing Director will be considered continuous service with the Company and change of designation or renewal of appointment will not be considered as any break in service.

- (3) Leave on full pay and allowances but not exceeding one month's leave for 11 month's service, encashment of unavailed earned leave as per Rules of the Company and / or at the end of the tenure being permitted.
- (4) Reimbursement of entertainment and other business promotion expenses actually incurred by the Managing Director in the course of business of the Company.
- (5) Commission:

In addition to the above, the Managing Director shall also be entitled up to 1% of the Net Profits per year as commission, as may be determined by the Board, provided that, the aggregate of salary, perquisites and commission for any financial year shall not exceed 5% of the net profits of the Company and when there are more than one whole-time Director 10% for all of them together for that year computed in the manner laid down in Section 197 and 198 of the Act.

In the event of loss or inadequacy of profits of the Company in any year, the Managing Director shall be entitled to payment by way of salary and perquisites as specified above subject to the restrictions specified in Schedule V to the Act.

The Company shall pay to the Managing Director compensation for loss of office, or as consideration for loss of office or retirement from office or in connection with such loss or retirement, in accordance with the provisions of Section 191 and 202 of the Act.

Either party shall be entitled to terminate the appointment by giving 180 days notice in writing to the other.

The Managing Director shall not be entitled to Sitting Fees for attending meetings of the Board of Directors of the Company or any Committee or Committees thereof.

**RESOLVED FURTHER** that the Board of Directors be and are hereby authorized to increase and / or vary the terms and conditions aforesaid within the limitations specified in that behalf in Schedule V to the Act or any statutory modification or re-enactment thereof for the time being in force or otherwise as may be permissible at law.

**RESOLVED FURTHER THAT** the Managing Director shall not as long as he continues to be Managing Director of the Company be liable to retire by rotation.

**AND RESOLVED LASTLY THAT** the Board of Directors be and are hereby authorized to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution."

**10. To approve re-appointment and remuneration of Shri S.J. Taparia (Director Identification No. 00112513) as an Executive Director of the Company and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution.**

**"RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee to the Board of Directors (Board) and approval thereof by the Board and in accordance with the provisions of Section 196, 197 and 198 read with Schedule – V and other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification or re-enactment thereof) and the Articles of Association of the Company, and subject to such other approvals as may be necessary, approval of the members of the Company be and is hereby accorded to the re-appointment of Shri S.J. Taparia, as Executive Director of the Company, for a further period with effect from 7<sup>th</sup> January, 2024 to 30<sup>th</sup> September 2027 and payment of remuneration and perquisites to him on the following revised terms and conditions with liberty to the Board (which term shall include any committee constituted by the Board) from time to time to alter the said terms and conditions and to revise upwards the salary and perquisites as herein mentioned in such manner as may be decided by the Board in the best interest of the Company and as may be permissible at law viz:-

- (1) Salary
- Monthly salary of ₹ 23,75,000/- (Rupees Twenty-Three Lakhs Seventy-Five Thousand only) in the Grade of ₹ 13,25,000/- ₹ 1,50,000/- ₹ 25,25,000/- ₹ 2,00,000/- ₹ 35,25,000/- per month, during his tenure of office (first increment falling due on, 1<sup>st</sup> April, 2024).
- (2) Allowances / Benefits / Perquisites
- A. Housing - Rent free furnished residential accommodation. In case, no accommodation is provided by the Company, the Executive Director shall be paid House Rent Allowance equivalent to 50% of salary.
- B. Other Perquisites / Allowances
- Reimbursement of actual medical expenses incurred in India and / or abroad including hospitalization for self and family.
  - Leave Travel Concession for self and family once in a year incurred in accordance with the Rules of the Company applicable to Senior Management Staff / Personnel of the Company.
  - Medical and Personal Accident Insurance.
  - Reimbursement of membership fees / subscription, subject to a maximum of two clubs in India.
  - Conveyance:  
The Company shall provide suitable conveyance facilities as may be required by the Executive Director.
  - Communication:  
The Company shall provide telephone, telefax and other communication facilities at the Executive Director's residence.

Perquisites shall be evaluated as per Income Tax Rules where applicable. "Family" shall mean spouse and dependent children of the Executive Director.

- C. (i) Contribution to Provident fund, superannuation fund or annuity fund as per the Rules of the Company to the extent these either singly or put together do not exceed the limit laid down under the Income Tax Act, 1961 or under any statutory modification or re-enactment thereof;
- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, the service of the Executive Director will be considered continuous service with the Company and change of designation or renewal of appointment will not be considered as any break in service.

- (3) Leave on full pay and allowances but not exceeding one month's leave for 11 month's service, encashment of unavailed earned leave as per Rules of the Company and / or at the end of the tenure being permitted.
- (4) Reimbursement of entertainment and other business promotion expenses actually incurred by the Executive Director in the course of business of the Company.
- (5) Commission:

In addition to the above, the Executive Director shall also be entitled up to 1% of the Net Profits per year as commission, as may be determined by the Board, provided that, the aggregate of salary, perquisites and commission for any financial year shall not exceed 5% of the net profits of the Company and when there are more than one wholtime Director 10% for all of them together for that year computed in the manner laid down in Section 197 and 198 of the Act

In the event of loss or inadequacy of profits of the Company in any year, the Executive Director shall be entitled to payment by way of salary and perquisites as specified above subject to the restrictions specified in Schedule V to the Act.

The Company shall pay to the Executive Director compensation for loss of office, or as consideration for loss of office or retirement from office or in connection with such loss or retirement, in accordance with the provisions of Section 191 and 202 of the Act.

Either party shall be entitled to terminate the appointment by giving 180 days notice in writing to the other.

The Executive Director shall not be entitled to Sitting Fees for attending meetings of the Board of Directors of the Company or any Committee or Committees thereof.

**RESOLVED FURTHER** that the Board of Directors be and are hereby authorized to increase and / or vary the terms and conditions aforesaid within the limitations specified in that behalf in Schedule V to the Act or any statutory modification or re-enactment thereof for the time being in force or otherwise as may be permissible at law.

**RESOLVED FURTHER THAT** the Executive Director shall as long as he continues to be Executive Director of the Company be liable to retire by rotation.

**AND RESOLVED LASTLY THAT** the Board of Directors be and are hereby authorized to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution."

**11. To approve re-appointment and remuneration of Shri V.K. Taparia (Director Identification No. 00112567) as an Executive Director of the Company and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution.**

**"RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee to the Board of Directors (Board) and approval thereof by the Board and in accordance with the provisions of Section 196, 197 and 198 read with Schedule – V and other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification or re-enactment thereof) and the Articles of Association of the Company, and subject to such other approvals as may be necessary, approval of the members of the Company be and is hereby accorded to the re-appointment of Shri V.K. Taparia, as Executive Director of the Company, for a period with effect from 7<sup>th</sup> January, 2024 to 30<sup>th</sup> September, 2027 and payment of remuneration and perquisites to him on the following revised terms and conditions with liberty to the Board (which term shall include any committee constituted by the Board) from time to time to alter the said terms and conditions and to revise upwards the salary and perquisites as herein mentioned in such manner as may be decided by the Board in the best interest of the Company and as may be permissible at law viz:-

(1) Salary

Monthly salary of ₹ 23,50,000/- (Rupees Twenty-Three Lakhs Fifty Thousand only) in the Grade of ₹ 13,00,000/- ₹ 1,50,000/- ₹ 25,00,000/- ₹ 2,00,000/- ₹ 35,00,000/- per month, during his tenure of office (first increment falling due on, 1<sup>st</sup> April, 2024).

(2) Allowances / Benefits / Perquisites

A. Housing - Rent free furnished residential accommodation. In case, no accommodation is provided by the Company, the Executive Director shall be paid House Rent Allowance equivalent to 50% of salary.

B. Other Perquisites / Allowances

i. Reimbursement of actual medical expenses incurred in India and / or abroad including hospitalization for self and family.

ii. Leave Travel Concession for self and family once in a year incurred in accordance with the Rules of the Company applicable to Senior Management Staff / Personnel of the Company.

iii. Medical and Personal Accident Insurance.

iv. Reimbursement of membership fees / subscription, subject to a maximum of two clubs in India.

v. Conveyance:

The Company shall provide suitable conveyance facilities as may be required by the Executive Director.

vi. Communication:

The Company shall provide telephone, telefax and other communication facilities at the Executive Director's residence.

Perquisites shall be evaluated as per Income Tax Rules where applicable. "Family" shall mean spouse and dependent children of the Executive Director.

- C. (i) Contribution to Provident fund, superannuation fund or annuity fund as per the Rules of the Company to the extent these either singly or put together do not exceed the limit laid down under the Income Tax Act, 1961 or under any statutory modification or re-enactment thereof;
- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, the service of the Executive Director will be considered continuous service with the Company and change of designation or renewal of appointment will not be considered as any break in service.

- (3) Leave on full pay and allowances but not exceeding one month's leave for 11 month's service, encashment of unavailed earned leave as per Rules of the Company and / or at the end of the tenure being permitted.
- (4) Reimbursement of entertainment and other business promotion expenses actually incurred by the Executive Director in the course of business of the Company.
- (5) Commission:

In addition to the above, the Executive Director shall also be entitled up to 1% of the Net Profits per year as commission, as may be determined by the Board, provided that, the aggregate of salary, perquisites and commission for any financial year shall not exceed 5% of the net profits of the Company and when there are more than one whole-time Director 10% for all of them together for that year computed in the manner laid down in Section 197 and 198 of the Act.

In the event of loss or inadequacy of profits of the Company in any year, the Executive Director shall be entitled to payment by way of salary and perquisites as specified above subject to the restrictions specified in Schedule V to the Act.

The Company shall pay to the Executive Director compensation for loss of office, or as consideration for loss of office or retirement from office or in connection with such loss or retirement, in accordance with the provisions of Section 191 and 202 of the Act.

Either party shall be entitled to terminate the appointment by giving 180 days notice in writing to the other.

The Executive Director shall not be entitled to Sitting Fees for attending meetings of the Board of Directors of the Company or any Committee or Committees thereof.

**RESOLVED FURTHER** that the Board of Directors be and are hereby authorized to increase and / or vary the terms and conditions aforesaid within the limitations specified in that behalf in Schedule V to the Act or any statutory modification or re-enactment thereof for the time being in force or otherwise as may be permissible at law.

**RESOLVED FURTHER THAT** the Executive Director shall as long as he continues to be Executive Director of the Company be liable to retire by rotation.

**AND RESOLVED LASTLY THAT** the Board of Directors be and are hereby authorized to take all such steps as may

be necessary, desirable or expedient to give effect to this Resolution."

- 12. To approve payment of Commission to all Non-Executive Directors and in this regard to consider and if thought fit, to pass the following resolution as an Special Resolution.**

**"RESOLVED THAT** pursuant to Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, as amended from time to time, and subject to all other approvals, as may be required, and recommendations of the Nomination and Remuneration Committee, the consent of members be and is hereby accorded to the payment of commission to the Non Executive Directors (other than Managing Director & Executive Directors) of the Company.

**RESOLVED FURTHER THAT** the aggregate amount of such commission per annum, to all the Non Executive Directors shall be within an overall limit of 1% of the net profits of the Company during any financial year calculated in accordance with the provisions of Section 198 of the Act.

**RESOLVED FURTHER THAT** payment of commission be paid to individual Non-Executive Directors of the Company in such amounts or proportions and in such manner and in all respects as may be decided by the Board of Directors of the Company.

**AND FURTHER RESOLVED THAT** Members approval for the payment of commission shall cover five years period from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2028."

- 13. To ratify the remuneration payable to Cost Auditors and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.**

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactments thereof for the time being in force), M/s. Kishore Bhatia & Associates, Cost Accountants (Firm Registration No. 00294), appointed as Cost Auditors by the Board of Directors of the Company to conduct the Audit of the Cost records of the Company for the financial year ending on 31<sup>st</sup> March, 2024, be paid a remuneration of ₹ 725000/- (Rupees Seven Lakhs Twenty Five Thousand Only) per annum plus reimbursement of all out of pocket expenses as may be incurred in connection with the audit of the accounts of the Company.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board

**R. J. Saboo**  
Vice President (Corporate Affairs) &  
Company Secretary

**Registered Office**  
612, Raheja Chambers,  
Nariman Point,  
Mumbai 400 021

Date : 28<sup>th</sup> April, 2023

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Proxies, in order to be effective, must be received at the registered office of the Company, duly completed and signed, not less than forty-eight hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by appropriate resolution / authority, as applicable.
3. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business at Item No. 5 to 13 of the above Notice is annexed hereto.
4. The Company has engaged the services of National Securities Depository Limited (NSDL), to provide e-voting facility for the AGM.
5. Corporate/Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [vlaxman@gmail.com](mailto:vlaxman@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
6. Register of Members and the Share transfer books of the Company will remain closed from Thursday the 22<sup>nd</sup> June, 2023 to Wednesday the 28<sup>th</sup> June, 2023 (both days inclusive) for the purpose of Annual General Meeting and Dividend.
7. The Dividend, if declared, will be payable to those Equity Shareholders whose names appear on the Register of Members as at the close of business on 28<sup>th</sup> June, 2023. In respect of shares held in the electronic form, the dividend will be payable to the beneficial owners as at the close of business on Wednesday 21<sup>st</sup> June, 2023 as per details furnished by the Depositories for this purpose.

As per the provisions of the Income Tax Act, dividend income is taxable in the hands of shareholders and the Company is required to deduct tax at source from dividend payable to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2023 as well as the relevant provisions of the Income Tax Act/ Rules. The shareholders are requested to update their PAN with Bigshare Services Private Limited (in case of shares held in physical mode) and DPs (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source. He/she should send their request in prescribed format by e-mail to [investor@supreme.co.in](mailto:investor@supreme.co.in) latest by Tuesday, 20<sup>th</sup> June, 2023. Shareholders are requested to note that in case their PAN is not registered, the tax will be

deducted at a higher rate of 20% or such other higher rate as may be prescribed under the Law.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents, i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, and any other document which may be required as per Law to avail the tax treaty benefits by sending an e-mail along with copies of the documents to [investor@supreme.co.in](mailto:investor@supreme.co.in) latest by Tuesday, 20<sup>th</sup> June, 2023.

8. Pursuant to provisions of Section 124 and 125 of the Companies Act, 2013, dividends which remain unpaid or unclaimed for a period of 7 years, will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended 31<sup>st</sup> March, 2016 or any subsequent financial years, are requested to make their claims to the Company at its Registered Office. It may be noted that once the unclaimed dividend is transferred, on the expiry of seven years, to the Investor Education and Protection Fund, as stated here-in, no claim with the Company shall lie in respect thereof. Pursuant to provisions of Section 124(6) and IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended by time to time, Company has transferred 321720 Nos of Equity Shares to IEPF Accounts.
9. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants/Demand Drafts as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such members for deletion of/change in such bank details. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend, directly to their Depository Participants.
10. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to M/s. Bigshare Services Pvt. Ltd., for doing the needful.
11. SEBI Regulations has mandated Companies to credit the dividends electronically to the Members' bank account. Members who hold shares in dematerialized form should inform their Depository Participant's (DP) as well as to the Company and such Members holding shares in physical form should inform the Company, their Bank details viz. Bank Account Number, Name of the Bank and Branch details and MICR Code. Those Members who have earlier provided the above information should update the details if required.
12. Members are requested to notify change in address, if any, immediately to M/s. Bigshare Services Pvt. Ltd., quoting their folio numbers.
13. In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. Deletion of name, Transmission of shares and Transposition of shares. Shareholders are requested to furnish copy of PAN card for all the above mentioned transactions.
14. Details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, "Listing Regulations" in respect of the Director seeking appointment/re-appointment at the Annual General Meeting, forms part of the AGM Notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.

15. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address as soon as possible. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Shareholders / Depositories for depositing of dividends.
16. Electronic copy of the Annual Report will be sent to the members whose email IDs are registered with the Company / Depository Participant(s).
17. A route map showing direction to reach the venue of 81<sup>st</sup> AGM is given in the Annual Report as per the requirement of the Secretarial Standards-2 on "General Meeting".
18. Members may also note that Annual Report for FY 2022-23 contains the Notice of 81<sup>st</sup> Annual General Meeting will be available on the Company's website www.supreme.co.in for being downloaded. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days till the date of the meeting. Even after registering e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investor@supreme.co.in.

### VOTING THROUGH ELECTRONIC MEANS

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members facility to exercise their votes through 'remote e-voting (e-voting from a place other than venue of the AGM) for all the resolutions detailed in the Notice of the 81<sup>st</sup> Annual General Meeting scheduled to be held on 28<sup>th</sup> June, 2023 at 4.00 p.m. The Company has engaged the services of NSDL, as the authorized agency to provide the e-voting as per instructions below:

The voting right of Shareholders shall be in proportion to their share in the paid up equity capital of the Company as on 21<sup>st</sup> June, 2023 (cut-off date).

The facility for voting through Ballot Paper (Poll) shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Ballot paper.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The Company has appointed Mr. V. Laxman of M/s. V. Laxman & Company, Company Secretaries as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in fair and transparent manner.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting through "Ballot Paper" for all those Members, who are present at the AGM, but have not cast their votes by availing remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company and shall make, within two working days from the conclusion of the AGM, a consolidated Scrutinizer's Report of total votes cast in

favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The result declared along with the report of the Scrutinizer shall be placed on the website of the Company www.supreme.co.in and on the website of NSDL e-voting, immediately after the declaration of result by the Chairman or a person authorized by him in writing. The result shall also be immediately forwarded to the Stock Exchanges.

### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

**The remote e-voting period begins on Saturday, 24<sup>th</sup> June, 2023 at 09:00 A.M. and ends on Tuesday, 27<sup>th</sup> June, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 21<sup>st</sup> June, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 21<sup>st</sup> June, 2023.**

The details of the process and manner for remote E-voting using NSDL e-Voting system are explained herein below:





#### Step 1: Access to NSDL e-Voting system

##### A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> . Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>

Type of shareholders	Login Method
	<p>2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>3. Shareholders/Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>  <b>Google Play</b></p> <p> </p>
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/ Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p>

Type of shareholders	Login Method
	<p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

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

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/>.



com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number (123999) followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
  - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

1. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
- Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).

- If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- After you click on the "Login" button, Home page of e-Voting will open.

### Step 2: Cast your vote electronically on NSDL e-Voting system.

#### How to cast your vote electronically on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- Select "EVEN" (123999) of The Supreme Industries Limited to cast your vote during the remote e-Voting period.
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### GENERAL GUIDELINES FOR SHAREHOLDERS

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [vlaxman@gmail.com](mailto:vlaxman@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsd.com](http://www.evoting.nsd.com) to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsd.com](http://www.evoting.nsd.com) or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to Prajakta Pawle at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to (investor@supreme.co.in)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (investor@supreme.co.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

By order of the Board

**R. J. Saboo**  
Vice President (Corporate Affairs) &  
Company Secretary

**Registered Office**  
612, Raheja Chambers,  
Nariman Point,  
Mumbai 400 021

Date : 28<sup>th</sup> April, 2023

## Explanatory Statement under Section 102(1) of the Companies Act, 2013

### ITEM NO. 4

The Company has several branches in India and may also open / acquire new branches in future. It is necessary to appoint Branch auditors for carrying out the audit of the accounts of such Branches. The Board of Directors of the Company on the recommendation of Audit Committee, recommended appointment of the following Chartered Accountants as Branch Auditors of the Branches of the Company mentioned against their names in table for a period of 2 (two) years, subject to the approval of the members of the Company at this Annual General Meeting.

The Members are requested to authorize the Board of Directors of the Company to appoint Branch Auditors of any Branch of the Company, whether existing or which may be opened/ acquired hereafter during the Financial Year 2023-24 & 2024-25, in consultation with the Company's auditors, any person(s) qualified to act as Branch Auditors and to fix their remuneration.

None of the Directors and Key Managerial Personnel (or their relatives) are interested in the said resolution.

Sr. No	Name of Branch Auditors	(Firm Registration No.)	Name of Branches
1	M/s K Prasad & Co	FRN No. 002755N	Noida Unit (Uttar Pradesh) Noida Office (Uttar Pradesh) Units situated at Malanpur – I,II,III & IV (Madhya Pradesh) Derabassi Unit (Punjab) Chiloth Unit (Rajasthan) Kanpur Dehat Unit (Uttar Pradesh) & Related Depots
2	M/s Thayppan & Co.	FRN: 005143S	Vijaywada Depot Hubli Depot Chennai Office (Tamil Nadu) Chennai Fabrication Unit (Tamil Nadu) Chennai Molding Unit (Tamil Nadu)
3	M/s R Suresh & Co.	FRN No. 050019S	Puduchery & Depots (Union Territory)
4	M/s KASG & Co.	FRN No. 002228C	Kolkatta Office (West Bengal) & related Depot(s) Durgapur Unit & Depot(s) (West Bengal)

Sr. No	Name of Branch Auditors	(Firm Registration No.)	Name of Branches
			Kharagpur Unit & depot(s) (West Bengal) Cuttak Unit & depot(s)- (Odisha)
5	M/s Dagliya & Co.	FRN No. 000671S	Hosur Unit & Hosur Fabrication Unit(Tamil Nadu)
6	M/s Abrol & Maheshwary	FRN No. 03363N	Units situated at Halol I,II,III &IV & Silvassa & related Depot(s)
7	M/s Chhogmal & Co	FRN No. 101826W	Urse unit I & II & related Depots (Maharashtra) Talegaon unit (Maharashtra) Khopoli unit (Maharashtra)
8.	Tarun Surana & associates	FRN No. 327099E	Guwahati Unit I (Assam), Guwahati Unit II (Assam) & Related Depots

### ITEM NO. 5

The Members of the Company at their Seventy Seventh Annual General Meeting of the Company held on Wednesday the 10<sup>th</sup> July, 2019, had approved the appointment of Shri Sarthak Behuria (DIN: 03290288), as Independent Director of the Company for a period of five years from 7<sup>th</sup> May, 2019 to 6<sup>th</sup> May 2024, pursuant to provisions of Section 149, 152 and Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Listing Agreements with the Stock Exchanges. He holds office as Independent Director of the Company up to the close of business hours on 6<sup>th</sup> May 2024 in his present first term.

Pursuant to the provisions of Section 149(10) of the Companies Act, 2013, an Independent Director shall be eligible for re-appointment on passing of a Special Resolution by the Company. Further pursuant to sub-regulation 17(1A) of SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, mandates that no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attended the age of seventy five years, unless special resolution is passed to that effect.

The Company has received an individual notice in writing from a Member of the Company under the provisions of Section 160(1) of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017, proposing the candidature of Shri Sarthak Behuria for the office of Director of the Company.

Shri Sarthak Behuria, Non- Executive Independent Director of the Company, being eligible for re-appointment, have given his consents as well as requisite disclosures along with a declaration to the Board that he meets the criteria of independence as

provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. In the opinion of the Board of Directors of the Company, he fulfils the conditions specified in the Companies Act, 2013 & Rules framed there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for re-appointment of Independent Director.

The Board of Directors of the Company, based on the performance evaluation of Independent Directors and as per recommendation of the Nomination & Remuneration Committee, at its meeting held on 28<sup>th</sup> April, 2023, approved the re-appointment of Shri Sarthak Behuria as Non-Executive Independent Director of the Company for a further period of five years from 7<sup>th</sup> May 2024 to 6<sup>th</sup> May, 2029, as mentioned in the Resolution set out under item no. 5.

The Board of Directors considers that Shri Sarthak Behuria have requisite expertise, versatility, extensive and enriched experience that will be of benefit to the Company.

Shri Sarthak Behuria is a BA (Hons) in Economics, PGDBA and IIM from Ahmedabad and has vast experience in Petrochemicals, LPG /LNG business, marketing. He has served as a Director in various companies and brings rich experience and guidance to the Board. Shri Sarthak Behuria holds Nil number of shares in the Company.

A brief profile of Shri Sarthak Behuria, is given in the particulars of Directors under the AGM Notice and report on Corporate Governance.

Except Shri Sarthak Behuria and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested in the said Resolution.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

#### ITEM NO. 6

The Members of the Company at their Seventy Seventh Annual General Meeting of the Company held on Wednesday the 10<sup>th</sup> July, 2019, had approved the appointment of Ms. Ameeta Parpia (DIN: 02654277) as Independent Directors of the Company for a period of five years from 7<sup>th</sup> May, 2019 to 6<sup>th</sup> May 2024., pursuant to provisions of Section 149, 152 and Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Listing Agreements with the Stock Exchanges. She holds office as an Independent Director of the Company up to the close of business hours on 6<sup>th</sup> May 2024 in her present first term.

Pursuant to the provisions of Section 149(10) of the Companies Act, 2013, an Independent Director shall be eligible for re-appointment on passing of a Special Resolution by the Company.

The Company has received individual notices in writing from a Member of the Company under the provisions of Section 160(1) of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017, proposing the candidature of Ms. Ameeta Parpia for the office of Director of the Company.

Ms. Ameeta Parpia, Non- Executive Independent Director of the Company, being eligible for re-appointment, have given her consent as well as requisite disclosures along with a declaration to the Board that she meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. In the opinion of the Board of Directors of the Company, she fulfils the

conditions specified in the Companies Act, 2013 & Rules framed there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for re-appointment of Independent Director.

The Board of Directors of the Company, based on the performance evaluation of Independent Directors and as per recommendation of the Nomination & Remuneration Committee, at its meeting held on 28<sup>th</sup> April, 2023, approved the re-appointment of Ms. Ameeta Parpia, as Non-Executive Independent Director of the Company for a further period of five years from 7<sup>th</sup> May 2024 to 6<sup>th</sup> May, 2029, as mentioned in the Resolution set out under item no. 6.

The Board of Directors considers that Ms. Ameeta Parpia have requisite expertise, versatility, extensive and enriched experience that will be of benefit to the Company.

Ms. Ameeta Parpia is a Advocate and Solicitor and a partner of Messrs. A. H. Parpia and Company, Advocates and Solicitors and has vast experience in legal matters of Corporates and advisory, She has served as a Director in various companies and brings rich experience and guidance to the Board Ms. Ameeta Parpia holds 3000 number of shares in the Company.

A brief profile of Ms Ameeta Parpia, is given in the particulars of Directors under the AGM Notice and report on Corporate Governance.

Except Ms Ameeta Parpia and her relatives, none of the other Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested in the said Resolution.

The Board recommends the Special Resolution set out at Item 6 of the Notice for approval by the members.

#### ITEM NO. 7

The Board of Directors, on the recommendation of the Nomination & Remuneration Committee, appointed Shri Vipul Shah (DIN: 00174680), as an Additional Director and also an Independent Director of the Company for a term of 5 ( five) consecutive years from 28<sup>th</sup> April, 2023 to 27<sup>th</sup> April, 2028, subject to approval of Members.

In terms of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Shri Vipul Shah, is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation.

The Company has received an individual notice in writing from a Member of the Company under the provisions of Section 160(1) of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2017, proposing the candidature of said Director for the office of Director of the Company.

Shri Vipul Shah being eligible for appointment as an Independent Director of the Company, has given his consent as well as requisite disclosures along with a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. In the opinion of the Board of Directors of the Company, Shri Vipul Shah fulfils the conditions specified in the Companies Act, 2013 & Rules framed there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as

amended for appointment of Independent Director. The terms and conditions of his appointment shall be open for inspection by the Members, without any fee at the Registered Office of the Company during normal business hours on any working day up to the date of the AGM.

A brief profile of Shri Vipul Shah, is given in the particulars of Directors under the AGM Notice and report on Corporate Governance.

Shri Vipul Shah holds Nil Equity Shares of in the Company.

Shri Vipul Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. He is not debarred from holding the office of a Director by virtue of any order of the Securities and Exchange Board of India or any other such authority

Except Shri Vipul Shah and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested in the said Resolution.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the members.

#### ITEM NO. 8

To appoint Shri Pulak Prasad (DIN: 00003557) as Non-Executive Director of the Company

Pursuant to provisions of Section 152 of the Companies Act, 2013 ("the Act") read with the applicable rules made thereunder, the Board of Directors of the Company ("Board") at its meeting held on 28<sup>th</sup> April, 2023, on the basis of the recommendation of the Nomination and Remuneration Committee ("NRC"), had appointed Shri Pulak Prasad (DIN: 00003557) as an Additional Director (Non-Executive Director) with effect from 28<sup>th</sup> April, 2023.

In accordance with the provisions of Section 161 of the Act read with the applicable rules made thereunder and the Articles of Association of the Company, Shri Pulak Prasad being an Additional Director, holds office up to the date of the 81<sup>st</sup> Annual General Meeting ("AGM"). The Company has received a notice in writing from a Member of the Company under Section 160 of the Act proposing the candidature of Shri Pulak Prasad for the office of a Director of the Company.

Shri Pulak Prasad is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. He is not debarred from holding the office of a Director by virtue of any order of the Securities and Exchange Board of India or any other such authority.

A brief profile of Shri Pulak Prasad, is given in the particulars of Directors under the AGM Notice and report on Corporate Governance.

Except Shri Pulak Prasad and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested in the said Resolutions.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the members.

#### ITEM NO. 9

The existing term of the office of Shri M. P. Taparia, Managing Director, expires on 6<sup>th</sup> January, 2024. Since the year 1967, Shri M. P. Taparia is at the helm of the management and administration of the Company under the overall supervision, control and direction of the Board of Directors. Ever since his stewardship the Company has made tremendous strides as reflected by the present prosperous position of the Company.

Since he has attained the age of above 70 years, a special resolution is being proposed for his appointment in accordance with provisions of Companies Act 2013.

Accordingly, the Board of Directors have proposed the reappointment of Shri M. P. Taparia as Managing Director, for a further period commencing from 7<sup>th</sup> January, 2024 upto 30<sup>th</sup> September, 2027, upon the terms and conditions as set out in the resolution mentioned in this item of the notice.

Considering his competence, experience as also the tremendous growth in the operations of the Company during his tenure and compared to the remuneration payable to other comparable personnel of other Corporate's in the country, the terms of his re-appointment and remuneration as set out in the resolution, and which may also be deemed to be a part of this explanatory statement, are considered to be quite just, fair and reasonable.

A brief profile of Shri M. P. Taparia, is given in the particulars of Directors under the AGM Notice and report on Corporate Governance and member's attention is also invited thereto. The above may also be treated as an abstract of the terms of the re-appointment of Shri M. P. Taparia, as Managing Director, pursuant to Section 190 of the Companies Act, 2013.

Shri M. P. Taparia is himself interested in the Resolution. Shri B.L. Taparia, Chairman, of the Company, is also interested being his Brother. Shri S. J. Taparia and Shri V. K. Taparia, Executive Directors are also related to Shri M. P. Taparia.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the members.

#### ITEM NO. 10

The existing term of the office of Shri S.J. Taparia, Executive Director, expires on 6<sup>th</sup> January, 2024. Shri S.J. Taparia has been associated with the Company for more than 45 years. Shri S.J. Taparia is responsible for (1) all technical aspects of (i) operations, (ii) Plastic Piping Division (jointly with Managing Director) (iii) new product identification, development and introduction, and (iii) Plant, Machinery, Moulds and Equipments, including their selection, purchase, installation, running and maintenance, (2) marketing of industrial components, material handling products & composite cylinders products and (3) to generally assist the Managing Director in day to day management and conduct of the business and affairs of the Company under the overall supervision, control and direction of Board of Directors.

Ever since his Directorship, the Company has made tremendous strides as reflected by the present prosperous position of the Company.

Since he has attained the age of above 70 years, a special resolution is being proposed for his appointment in accordance with provisions of Companies Act 2013.

Accordingly, the Board of Directors have proposed the reappointment of Shri S. J. Taparia as Executive Director, for a further period commencing from 7<sup>th</sup> January, 2024 upto 30<sup>th</sup> September, 2027, upon the terms and conditions as set out in the resolution mentioned in this item of the notice.

Considering his competence, experience as also the tremendous growth in the operations of the Company during his tenure and compared to the remuneration payable to other comparable personnel of other Corporates in the country, the terms of his re-appointment and remuneration as set out in the resolution, and which may also be deemed to be a part of this explanatory statement, are considered to be quite just, fair and reasonable.

A brief profile of Shri S. J. Taparia, is given in the particulars of Directors under the the AGM Notice and report on Corporate Governance and member's attention is also invited thereto. The above may also be treated as an abstract of the terms of the re-appointment of Shri S. J. Taparia, as Executive Director, pursuant to Section 190 of the Companies Act, 2013.

Shri S.J. Taparia is himself interested in the Resolution. Shri B. L. Taparia, Chairman, Shri M. P. Taparia Managing Director and Shri V. K. Taparia, Executive Director are related to Shri S. J. Taparia.

The Board recommends the Special Resolution set out at Item No. 10 of the Notice for approval by the members.

#### ITEM NO. 11

The existing term of the office of Shri V.K. Taparia, Executive Director, expires on 6<sup>th</sup> January, 2024. Shri V. K. Taparia has been associated with the Company for more than 38 years. Apart from being involved generally in corporate strategy, Long term business plan and other incidental activities of the Company, Shri V.K. Taparia has for quite some time been looking after and is responsible for the following activities of the company:

- a) Company's business in all spheres of activities relating to production, marketing, procurements of working capital, Business development, expansion and overall administration pertaining to :
  - i. Performance packing products which includes Multilayer Films for various applications,
  - ii. Protective Packaging products which includes Expanded Polyethylene foam, Cross – Link Foam, Air Bubble Film, net and tube and products made thereof
- b) He is the driving force and leading the IT Team of the Company for upgrading its computerization, SAP implementation and other related areas.
- c) He has represented the Company on various organizations such as Plast India Foundation, OPPI and other institutions.

Ever since his Directorship in the Company has made tremendous strides as reflected by the present prosperous position of the Company. Accordingly, the Board of Directors have proposed the re-appointment of Shri V. K. Taparia as Executive Director, for a further period commencing from 7<sup>th</sup> January, 2024 upto 30<sup>th</sup> September, 2027, upon the terms and conditions as set out in the resolution mentioned in this item of the notice.

Considering his competence, experience as also the tremendous growth in the operations of the Company during his tenure and compared to the remuneration payable to other comparable personnel of other Corporates in the country, the terms of his re-appointment and remuneration as set out in the resolution, and which may also be deemed to be a part of this explanatory statement, are considered to be quite just, fair and reasonable.

A brief profile of Shri V. K. Taparia, is given in the particulars of Directors under the AGM Notice and report on Corporate Governance and member's attention is also invited thereto. The above may also be treated as an abstract of the terms of the re-appointment of Shri V. K. Taparia, as Executive Director, pursuant to Section 190 of the Companies Act, 2013.

Shri V.K. Taparia is himself interested in the Resolution. Shri B. L. Taparia, Chairman, Shri M. P. Taparia Managing Director and Shri S. J. Taparia, Executive Director are related to Shri V.K. Taparia.

The Board recommends the Special Resolution set out at Item No. 11 of the Notice for approval by the members.

#### ITEM NO. 12

Payment of Commission to Non Executive Directors

Section 197 of the Companies Act, 2013, permits payment of remuneration to Non-Executive Directors (other than Managing Director & Executive Directors) of a Company by way of commission, if the Company authorizes such payment by way of a resolution of members

Considering the Company's performance, profits, return to investors and shareholder value creation by the Company and also considering that under the Companies Act, 2013 ("the Act"), Directors have been entrusted with new responsibilities and enhanced role, and considering the rich experience and expertise brought to the Board by the Non-Executive Directors, it is proposed that, payment of commission by way of remuneration be paid to the Non Executive Directors of the Company as stated in the Resolution.

None of the Directors, Key Managerial Personnel or their respective relatives, except all of the Non-Executive Directors of the Company to whom the resolution relates are concerned or interested in the Resolution

The Board recommends the Special Resolution set out at Item No. 12 of the Notice for approval by the members.

#### ITEM NO. 13

The Board of Directors of the Company, on recommendation of the Audit Committee, has approved the appointment of M/s. Kishore Bhatia & Associates, Cost Accountants, (Firm Registration No. 00294) as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2024.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Member of the Company. Accordingly consent of the Members is sought by way of an Ordinary Resolution as set at Item no. 13 of the Notice for ratification of the remuneration amounting to ₹ 725000/- (Rupees Seven Lakhs Twenty Five Thousand Only) per annum, plus reimbursement of out of pocket expenses as may be incurred during course of audit.

None of the Directors and Key Managerial Personnel (or their relatives) are interested in the said resolution.

The Board recommends the Ordinary Resolution set out at Item No. 13 of the Notice for approval by the members.

By order of the Board

**R. J. Saboo**  
Vice President (Corporate Affairs) &  
Company Secretary

#### Registered Office

612, Raheja Chambers,  
Nariman Point,  
Mumbai 400 021

Date : 28<sup>th</sup> April, 2023

**Details under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standard 2, in respect of the Director seeking appointment/ re-appointment.**

Name of Director	<b>Shri Sarthak Behuria</b>	<b>Ms. Ameeta Parpia</b>
DIN	<b>03290288</b>	<b>02654277</b>
Brief Resume	As detailed in Explanatory Statement above for Item No. 5 of the Notice.	As detailed in Explanatory Statement above for Item No. 6 of the Notice.
Date of Birth (Age in years)	02-03-1952 (71 years)	22-02-1965 (58 years)
Date of Appointment	07-05-2019	07-05-2019
Date of Re-appointment	07-05-2024	07-05-2024
Qualifications	BA (Hons) in Economics, PGDBA and IIM form Ahmedabad	BA, LLB
Expertise in specific functional areas	vast experience in Petrochemicals, LPG /LNG business, marketing	vast experience in legal matters of Corporates and advisory
Fulfillment of Skill and Capabilities for Role ( for Independent Directors )	Complied with the requirements	Complied with the requirements
Terms and conditions of appointment / re-appointment	As detailed in Explanatory Statement above for Item No.5 of the Notice.	As detailed in Explanatory Statement above for Item No.6 of the Notice.
Details of remuneration and remuneration last drawn	None	None
Details of shareholding in the Company	Nil	3000 equity shares
Relationship with other Directors/ Key Managerial Personnel (if any)	None	None
Number of Board meetings attended during the year	Details mentioned in the Corporate Governance Report.	Details mentioned in the Corporate Governance Report.
Listed entities from which Director resigned in the past three years	---	---
Directorships in other Listed companies (excluding foreign companies)	BLS International Services Limited	1. Supreme Petrochem Limited 2. Prism Johnson Limited 3. Hatheway Cable & Datacom Ltd

Memberships of Committees in other Listed companies (excluding foreign companies)

**BLS International Services Limited**  
Audit Committee

- Supreme Petrochem Limited**  
Audit Committee  
Stakeholders Relationship Committee  
Finance Committee  
Nomination & Remuneration Committee  
Corporate Social Responsibility Committee
- Prism Johnson Limited**  
Stakeholders Relationship Committee  
Nomination and Remuneration Committee  
Audit Committee  
Corporate Social Responsibility Committee  
Risk Management Committee
- Hatheway Cable & Datacom Ltd**  
Audit Committee  
Stakeholders Relationship Committee  
Risk Management Committee

Name of Director	Shri Vipul Shah	Shri Pulak Prasad
DIN	00174680	DIN: 00003557
Brief Resume	As detailed in Explanatory Statement above for Item No. 7 of the Notice.	As detailed in Explanatory Statement above for Item No. 8 of the Notice.
Date of Birth (Age in years)	20-10-1959 (64 years)	27-05-1968 (55 years)
Date of Appointment	28-04-2023	28-04-2023
Date of Re-appointment	NA	NA

Qualifications	Bachelor of Science degree in chemical engineering and a Master of Science degree in polymer science from the University of Texas, Austin, United States	B.Tech, IIT, Post Graduate Diploma in Management from Indian Institute of Management, Ahmedabad
Expertise in specific functional areas	vast experience in Petrochemicals, LPG /LNG business, marketing	Mr. Pulak Prasad founder and Managing Director of Nalanda Capital Pte Ltd. He was the Managing Director and co-head of India Office of Warburg Pincus, prior to that, he was the Management consultant with McKinsey & Company, USA and South Africa.
Fulfillment of Skill and Capabilities for Role ( for Independent Directors )	Complied with the requirements	Complied with the requirements
Terms and conditions of appointment / re-appointment	As detailed in Explanatory Statement above for Item No. 7 of the Notice.	As detailed in Explanatory Statement above for Item No.8 of the Notice.
Details of remuneration and remuneration last drawn	None	None
Details of shareholding in the Company	Nil	Nil
Relationship with other Directors/ Key Managerial Personnel (if any)	None	None
Number of Board meetings attended during the year	NA	NA
Listed entities from which Director resigned in the past three years	---	Just Dial Limited
Directorships in other Listed companies (excluding foreign companies)	Deepak Nitrite Ltd	1. Vaibav Global Limited 2. Berger Paints India Limited 3. Triveni Turbine Ltd.

Memberships of Committees in other Listed companies (excluding foreign companies)	<b>Deepak Nitrite Ltd</b> Risk Committee Project Committee	<b>2 Berger Paints India Limited</b> Audit Committee Compensation, Nomination and Remuneration Committee
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Name of Director	Shri M.P. Taparia	Shri S.J. Taparia
DIN	00112461	00112513
Brief Resume	As detailed in Explanatory Statement above for Item No. 9 of the Notice.	As detailed in Explanatory Statement above for Item No. 10 of the Notice.
Date of Birth (Age in years)	22-10-1937 (85 years)	07-08-1945 (77 years)
Date of Appointment	02-08-1966	15-06-1977
Date of Re-appointment	07.01.2024	07.01.2024
Qualifications	BA	BE
Expertise in specific functional areas	Industrialist having rich Business experience	Industrialist having rich Business experience
Fulfillment of Skill and Capabilities for Role ( for Independent Directors )	Not Applicable	Not Applicable
Terms and conditions of appointment / re-appointment	As detailed in Explanatory Statement above for Item No. 9 of the Notice.	As detailed in Explanatory Statement above for Item No.10 of the Notice.
Details of remuneration and remuneration last drawn	As detailed in Item No. 9 of the Notice	As detailed in Item No. 10 of the Notice
Details of shareholding in the Company	749186 Equity Shares	703816 equity shares
Relationship with other Directors/ Key Managerial Personnel (if any)	Relative of Shri B.L. Taparia, Chairman, Shri S.J. Taparia, Executive Director and Shri V.K. Taparia, Executive Director	Relative of Shri B.L. Taparia, Chairman, Shri M.P. Taparia, Managing Director and Shri V.K. Taparia, Executive Director
Number of Board meetings attended during the year	Details mentioned in the Corporate Governance Report.	Details mentioned in the Corporate Governance Report.
Listed entities from which Director resigned in the past three years	Kabra Extrusion Technic Limited West Coast Papers Mills Limited	----



Directorships in other Listed companies (excluding foreign companies)	Supreme Petrochem Limited	Supreme Petrochem Limited
Memberships of Committees in other Listed companies (excluding foreign companies)	<b>Supreme Petrochem Limited</b> Stakeholders Relationship Committee Corporate Social Responsibility Committee Risk Management Committee Finance Committee	<b>Supreme Petrochem Limited</b> Audit Committee Nomination and Remuneration Committee Stakeholders Relationship Committee Finance Committee

Name of Director	Shri V.K. Taparia
DIN	00112567
Brief Resume	As detailed in Explanatory Statement above for Item No. 11 of the Notice.
Date of Birth (Age in years)	26-10-1955 (67 years)
Date of Appointment	29-10-1984
Date of Re-appointment	07.01.2024
Qualifications	B.Com
Expertise in specific functional areas	Industrialist having rich Business experience

Fulfillment of Skill and Capabilities for Role ( for Independent Directors )	Not Applicable
Terms and conditions of appointment / re-appointment	As detailed in Explanatory Statement above for Item No. 11 of the Notice.
Details of remuneration and remuneration last drawn	As detailed in Item No. 11 of the Notice
Details of shareholding in the Company	244890 Equity Shares
Relationship with other Directors/Key Managerial Personnel (if any)	Relative of Shri B.L. Taparia, Chairman, Shri M.P. Taparia, Managing Director and Shri S.J. Taparia, Executive Director
Number of Board meetings attended during the year	Details mentioned in the Corporate Governance Report.
Listed entities from which Director resigned in the past three years	----
Directorships in other Listed companies (excluding foreign companies)	----
Memberships of Committees in other Listed companies (excluding foreign companies)	----

## Board's Report

The Directors have great pleasure in presenting the 81<sup>st</sup> Annual Report together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2023.

(₹ In Crores)

Particulars	FY 2022-2023	FY 2021-2022
Total Income	<b>9283.35</b>	7840.51
Profit Before Interest, Depreciation & Tax	<b>1281.84</b>	1309.89
Finance Cost	<b>8.02</b>	5.15
Depreciation and Amortization Expenses	<b>263.39</b>	229.52
<b>Profit Before Tax &amp; Exceptional Items</b>	<b>1010.43</b>	1075.22
Tax Expenses	<b>245.96</b>	263.33
<b>Profit After Tax</b>	<b>764.47</b>	811.89
Other Comprehensive Income (Net of Taxes)	<b>(2.78)</b>	(0.94)
<b>Total Comprehensive Income</b>	<b>761.69</b>	810.95

### DIVIDEND

₹ in Crores

i) Dividend on 12,70,26,870 Equity Shares of ₹ 2/- each @1300% i.e. ₹ 26/- per share as under:-	
(Previous year @ 1200% i.e. ₹ 24/- per equity share)	
(a) Interim Dividend @ 300% i.e. ₹ 6/- per share (already paid in November 2022)	76.22
(b) Final Dividend @ 1000% i.e. ₹ 20/- per share	254.05
	<b>₹ 330.27</b>

The Board of Directors of the Company had adopted the Dividend Distribution Policy on 25<sup>th</sup> January, 2017 in line with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy is uploaded on the Company's website at [www.supreme.co.in](http://www.supreme.co.in)

### OVERVIEW OF THE FINANCIAL PERFORMANCE

The financial performance highlights for the year ended 31<sup>st</sup> March, 2023, are as follows –

The Company sold 506501 MT of Plastic goods and achieved net product turnover of ₹ 9066 Crores during the year under review against sales of 393908 MT and net product turnover of ₹ 7625 crores in the previous year achieving volume and product value growth of about 29% and 19%, respectively.

Total Income and Operating Profit for the year under review amounted to ₹ 9283.35 crores and ₹ 1199.98 crores respectively as compared to ₹ 7840.51 crores and ₹ 1242.19 crores, in the previous financial year.

The Profit before Tax and Profit after Tax for the year under review amounted to ₹ 1010.43 crores and ₹ 764.47 crores respectively as compared to ₹ 1075.22 crores and ₹ 811.89 crores, in the previous financial year.

### MANAGEMENT DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis forms an integral part of this report and gives detail of the overview, industry structure and developments, different product groups of the Company, operational performance of its various business segments.

### CREDIT RATING

The Company's financial discipline and prudence is reflected in strong credit rating ascribed by CRISIL as under:-

Total Bank Loan Facilities Rated	₹ 1445.90 crores
Long-Term Rating	CRISIL AA+/Stable (Reaffirmed)
Short-Term Rating	CRISIL A1+ (Reaffirmed)
₹ 200 Crores commercial paper	CRISIL A1+ (reaffirmed)

### FIXED DEPOSITS

In accordance with the terms and conditions governing the Fixed Deposit Scheme, the Company had exercised the option to repay on 1<sup>st</sup> April, 2014, all the Fixed Deposits with accrued interest as at the end of 31<sup>st</sup> March, 2014. Accordingly, the Company is not having any Fixed Deposit as on 31<sup>st</sup> March, 2023.

### DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors acknowledge the responsibility for ensuring compliances with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation of annual accounts for the year ended on 31<sup>st</sup> March, 2023 and state that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departures from the same;
- the Directors have selected such accounting policies and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2023 and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

### CORPORATE GOVERNANCE

The Company has taken the requisite steps to comply with the recommendations concerning Corporate Governance.

A separate statement on Corporate Governance together with a certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

### ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING / OUTGO

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure - I** to this report.

### PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The prescribed particulars of Employees required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure - II** to this Report.

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Boards' Report for the year ended 31<sup>st</sup> March, 2023 is given in the separate Annexure of this Report.

The Annual Report excluding the aforesaid Annexure is being sent to the Members of the Company in terms with the provision of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the Company, 21 days before the 81<sup>st</sup> Annual General Meeting and up to the date of the ensuing Annual General Meeting during the business hours on working days.

### CONSOLIDATED FINANCIAL STATEMENT

The consolidated financial statements of the company & its subsidiary & associate which form part of Annual Report have been prepared in accordance with section 129(3) of the Companies Act, 2013. Further, a statement containing the salient features of the Financial Statement of Subsidiary Company & Associate Company in the prescribed format AOC-I is annexed herewith as **Annexure - III** to this Report. The statement also provides the details of performance and financial position of the Subsidiary Company & Associate Company.

In accordance with Section 136 of the Companies Act, 2013 the Audited Financial Statements, including the consolidated financial statements & related information of the Company & Audited Accounts of its Subsidiary Company are available on the website [www.supreme.co.in](http://www.supreme.co.in). These documents will also be available for inspection during business hours at the registered office of the company. Any member desirous of obtaining a copy of the said financial statement may write to the Company Secretary at the Registered Office of the company.

The Consolidated net profit of the company and its subsidiary amounted to ₹ 862.42 crores for the financial year ended 31<sup>st</sup> March, 2023 as compared to ₹ 967.26 crores for the previous financial year ended 31<sup>st</sup> March, 2022.

Additional details regarding performance of the Associate Company & Subsidiary Company have been mentioned in the succeeding paragraphs.

### ASSOCIATE COMPANY - SUPREME PETROCHEM LIMITED (SPL)

#### SUPREME PETROCHEM LIMITED

Net revenue & net profit of that company for the year ended 31<sup>st</sup> March 2023 was ₹ 5346.14 Crores and ₹ 498.13 Crores as against ₹ 5062.80 Crores & ₹ 663.23 Crores respectively during previous year.

Pursuant to the sub division of the Equity shares of the Company, each Equity Share of the Face Value of ₹ 4/- each was sub divided into face value of ₹ 2/- per share (fully Paid-up). Your company has an investment of 5,78,72,800 no of equity shares of (face value of ₹ 2/- each) in the SPL (promoted by your company & R Raheja Group) which constitutes 30.78% as at 31<sup>st</sup> March 2023.

During the year under review your company received an aggregate amount of ₹ 52.09 Crores as dividend including ₹ 11.58 Crores of interim dividend for the year 2022-23.

SPL's new line of Polystyrene at Amdoshi and expanded capacities of EPS at both locations were commissioned in the last quarter of F.Y. 2022-2023. Effective capacity of Polystyrene now stands at 300,000 tpa and EPS capacity at 110,000 tpa.

SPL's first phase of Mass ABS project with 70,000 tpa capacity is progressing as per schedule. Detailed engineering and procurement are progressing well. Discussions on technical

licence for second line of Mass ABS with licensor M/s Versalis of Italy is yet to be concluded.

SPL has proposed final dividend of ₹ 7 per share in its board meeting held on 26<sup>th</sup> April, 2023 subject to the approval of shareholders which would entitle the Company to receive an amount of ₹ 40.51 Crores as dividend during the year 2023-24.

### SUBSIDIARY COMPANY

During the financial year 2022-23 raw material prices shown a downward trend while shipping industry returned to normalcy regarding operation management & freight resulting in “watch & go” situation for the buyers to obtain optimum benefits. Despite the inertia in the market, Supreme’s piping exports moved up the growth trajectory by scaling the highest turnover as on date contributing 35% to company’s overall exports.

The Supreme Industries Overseas FZE clocked 17<sup>th</sup> years of successful operation by achieving exports sales turnover of US\$ 10.95 Million (inclusive of third-party exports in INR), value growth of 10%, weighing 3283 MTON during the financial year 2022-23. Supreme has established footprints in over thirty plus countries touching GCC, Africa, USA, UK, Europe & Indian-sub-continent.

Supreme is aiming to exports 5000 MTON of piping products during new financial year 2023-24. Target will be achieved by expanding markets across the geographies inclusive of acquiring high value project orders. Supreme brand has established reputation over the decades due to exhaustive range of products, quality & services. Efforts will be made to enhance the current range of products & obtain product conformity certifications from international bodies. All these efforts will improve brand acceptance paving the way for entry into new territories & generating new business volume.

### MATERIAL SUBSIDIARY

The Board of Directors of the Company had adopted a Policy for determining material subsidiary company in line with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy is uploaded on the Company’s website at [www.supreme.co.in](http://www.supreme.co.in). Presently there is no material subsidiary company.

### DIRECTORS APPOINTMENT / RE APPOINTMENT

#### Director Retiring by Rotation

Shri V.K. Taparia, Executive Director

Shri V.K. Taparia, Executive Director (DIN: 00112567) of the Company, retires by rotation at the forthcoming Annual General Meeting in accordance with provisions of the Companies Act, 2013 and the Articles of Association of the Company and being eligible, offers himself for re-appointment.

#### Director Appointments/Re-appointments for Members approval

The Board of the Company, on recommendations of the NRC, inter-alia, considering the qualification, experience, knowledge, skills possessed and declarations submitted by each of them approved/recommended the following appointments/re-appointments, on the Board, for approval by the Members of the Company at the ensuing AGM. The Company has received the requisite notices from Member proposing each of their appointments/re-appointments, as the case maybe, as a Director of the Company.

Shri Sarthak Behuria, Independent Director

Shri Sarthak Behuria, Independent Director, (DIN: 03290288), was appointed as an Independent Director of the Company for a first term of five consecutive years commencing from 7<sup>th</sup> May,

2019 to 6<sup>th</sup> May, 2024. Accordingly, the first term of office of Shri Sarthak Behuria as an Independent Director of the Company is due to expire on 6<sup>th</sup> May 2024.

The Board of the Company, based on the recommendation of the NRC and result of the performance evaluation carried out by the NRC and the Board, has recommended the re-appointment of Shri Sarthak Behuria as a Non-Executive Independent Director for a second term of five consecutive years commencing (prior to expiry of his term) from 7<sup>th</sup> May, 2024 to 6<sup>th</sup> May, 2029, to the Members for their approval through special resolution at the ensuing AGM. Shri Sarthak Behuria confirms to the criteria of independence prescribed under the Act and the SEBI Listing Regulations.

The Board on the basis of recommendation of the NRC and considering the skills, experience and acumen possessed by Shri Sarthak Behuria, is of the opinion that he possesses the relevant expertise and experience to continue as an Independent Director of the Company.

Ms. Ameeta Parpia, Independent Director

Ms. Ameeta Parpia, Independent Director, (DIN: 02654277), was appointed as an Independent Director of the Company for a first term of five consecutive years commencing from 7<sup>th</sup> May, 2019 to 6<sup>th</sup> May 2024. Accordingly, the first term of office of Ms. Ameeta Parpia as an Independent Director of the Company is due to expire on 6<sup>th</sup> May 2024.

The Board of the Company, based on the recommendation of the NRC and result of the performance evaluation carried out by the NRC and the Board, has recommended the re-appointment of Ms. Ameeta Parpia as Non-Executive Independent Director for a second term of five consecutive years commencing (prior to expiry of her term) from 7<sup>th</sup> May, 2024 to 6<sup>th</sup> May, 2029 to the Members for their approval through special resolution at the ensuing AGM. Ms. Ameeta Parpia confirms to the criteria of independence prescribed under the Act and the SEBI Listing Regulations.

The Board on the basis of recommendation of the NRC and considering the skills, experience and acumen possessed by Ms. Ameeta Parpia, is of the opinion that she possesses the relevant expertise and experience to continue as an Independent Director of the Company.

Shri Vipul Shah, Independent Director

Shri Vipul Shah, (DIN: 00174680) is appointed as an Additional and Non- Executive Independent Director of the Company, not being liable to retire by rotation, for a first term of five consecutive years commencing from 28<sup>th</sup> April, 2023 to 27<sup>th</sup> April, 2028, subject to the approval of the Members through special resolution at the ensuing AGM.

Shri Vipul Shah confirms to the criteria of independence prescribed under the Act and the SEBI Listing Regulations. The Board on the basis of recommendation of the NRC and considering the skills, experience and acumen possessed by Shri Vipul Shah, is of the opinion that he possesses the relevant expertise and experience to appoint as an Independent Director of the Company.

Shri Pulak Prasad, Non-Executive and Non- Independent Director

Shri Pulak Prasad (DIN: 00003557) is appointed as an Additional Non-Executive and Non-Independent Director, with effect from 28<sup>th</sup> April, 2023 and holds office as an Additional Director up to the date of the ensuing AGM of the Company. The Board at its meeting held on 28<sup>th</sup> April, 2023, has recommended the appointment of Shri Pulak Prasad as a Director (Non-Executive and Non-Independent) of the Company, liable to retire by rotation.

Shri M.P. Taparia, Managing Director

Shri M. P. Taparia, Managing Director, (DIN: 00112461), was re-appointed as Managing Director of the Company at the 76<sup>th</sup> Annual General Meeting for a term of five years from 7<sup>th</sup> January, 2019 to 6<sup>th</sup> January, 2024. Accordingly, his term of office is due to expire on 6<sup>th</sup> January, 2024.

The Board of the Company, based on the recommendation of the NRC and result of the performance evaluation carried out by the NRC, has recommended the re-appointment of Shri M. P. Taparia, as a Managing Director for a further period commencing from 7<sup>th</sup> January, 2024 upto 30<sup>th</sup> September, 2027, upon the terms and conditions as set out in the resolution mentioned in this item of the notice

Shri S.J. Taparia, Executive Director

Shri S.J. Taparia, Executive Director, (DIN: 00112513), was re-appointed as Executive Director of the Company at the 76<sup>th</sup> Annual General Meeting for a term of five years from 7<sup>th</sup> January, 2019 to 6<sup>th</sup> January, 2024. Accordingly, his term of office is due to expire on 6<sup>th</sup> January, 2024.

The Board of the Company, based on the recommendation of the NRC and result of the performance evaluation carried out by the NRC, has recommended the re-appointment of Shri S. J. Taparia, as a Executive Director for a further period commencing from 7<sup>th</sup> January, 2024 upto 30<sup>th</sup> September, 2027, upon the terms and conditions as set out in the resolution mentioned in this item of the notice.

Shri V.K. Taparia, Executive Director

Shri V.K. Taparia, Executive Director, (DIN: 00112567), was re-appointed as a Executive Director of the Company at the 76<sup>th</sup> Annual General Meeting for a term of five years from 7<sup>th</sup> January, 2019 to 6<sup>th</sup> January, 2024. Accordingly, his term of office is due to expire on 6<sup>th</sup> January, 2024.

The Board of the Company, based on the recommendation of the NRC and result of the performance evaluation carried out by the NRC, has recommended the re-appointment of Shri V. K. Taparia, as a Executive Director for a further period commencing from 7<sup>th</sup> January, 2024 upto 30<sup>th</sup> September, 2027, upon the terms and conditions as set out in the resolution mentioned in this item of the notice.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of the independence as prescribed both under section 149(6) of the Companies Act, 2013 and under Regulation 16 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In accordance with the provisions of the Companies Act, 2013, none of the Independent Directors are liable to retire by rotation.

**KEY MANAGERIAL PERSONNEL**

Shri M P Taparia, Managing Director, Shri P C Somani, Chief Financial Officer and Shri R J Saboo, VP (Corporate Affairs) & Company Secretary were appointed as Key Managerial Personnel of your Company, in accordance with the provisions of Section 203 of the Companies Act 2013 and there is no change in the same during the year under review.

**DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES**

**a. Board Meetings:**

The Board of Directors met on 5 occasions virtually/physically during the year ended 31<sup>st</sup> March, 2023, in accordance with

the provisions of the Companies Act, 2013 and rules made there under. The details thereof are given in the Corporate Governance Report.

**b. Board Performance Evaluation:**

(i) The Board in consultation with Nomination and Remuneration Committee has devised criteria for performance evaluation of Independent Directors, Board/Committees, and other individual Directors which includes criteria for performance evaluation of Non-Executive Directors and Executive Directors. Performance evaluation has been carried out as per the Nomination & Remuneration Policy.

Pursuant to amendment in section 178 by the Companies (Amendment) Act, 2017, which is effective from 7<sup>th</sup> May, 2018, the Nomination and Remuneration Committee noted the amendment and decided to carryout evaluation of performance of Board, its Committees and individual Director. Accordingly Nomination and Remuneration Committee conducted the performance evaluation of Board, its Committees and individual Director in its meeting held on 24<sup>th</sup> January, 2023.

The performance evaluation of the Independent Directors was also carried by the entire Board. The performance evaluation of the Chairman, Managing Director & Executive Directors was carried out by the independent Directors at its separate meeting held on 24<sup>th</sup> January, 2023.

The Board has, on the recommendation, of the Nomination & Remuneration Committee, framed a Nomination & Remuneration policy and Policy on fixation of criteria for selection & appointment, removal of Directors & Senior Management Personnel. The Nomination & Remuneration Policy and Policy on fixation of criteria for selection & appointment of Directors & Senior Management Personnel are annexed herewith as **Annexure IV (A) & Annexure IV (B)** to this Report.

**AUDITORS**

**Statutory Auditors:-**

The Statutory Auditors M/S Lodha & Co., Chartered Accountants having Registration No 301051E, was re-appointed in 79<sup>th</sup> Annual General Meeting to hold office from the conclusion of 79<sup>th</sup> Annual General Meeting for a term of consecutive five years till conclusion of 84<sup>th</sup> Annual General Meeting.

The Statutory Auditors have given a confirmation that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors.

**AUDITORS' REPORT**

Note on financial statement referred in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

**COST AUDITORS**

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. Kishore Bhatia & Associates, Cost Accountants (Registration No: 00294) as Cost

Auditor of the Company, for the financial year ending 31<sup>st</sup> March, 2024, on a remuneration as mentioned in the Notice convening the 81<sup>st</sup> Annual General Meeting for conducting the audit of the cost records maintained by the Company.

A Certificate from M/s. Kishore Bhatia & Associates, Cost Accountants has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

A resolution seeking Members' approval for remuneration payable to Cost Auditors forms part of the Notice of the 81<sup>st</sup> Annual General Meeting of the Company and same is recommended for your consideration.

Cost Audit Report for the year ended 31<sup>st</sup> March 2022 was filed with the Registrar of Companies, within the prescribed time limit and for the year ended 31<sup>st</sup> March 2023 the same shall be filed within prescribed time after completion of Cost Audit by Cost Auditors.

The Company has made and maintained requisite Cost accounts and records as required to be maintained as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

#### SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s V. Laxman & Co., Company Secretaries (C.P No. 744), to conduct Secretarial Audit for the financial year ended on 31<sup>st</sup> March, 2023.

Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2023 issued by M/s. V. Laxman & Co, Company Secretaries in Form MR-3 forms part to this report - as **Annexure V**. The said report does not contain any observation or qualification requiring explanation or adverse remark.

#### AUDIT COMMITTEE

The details pertaining to composition of the Audit Committee and terms of reference are included in the Corporate Governance Report, which forms part of this Report.

#### MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no other material changes or commitments occurring after 31<sup>st</sup> March 2023, which may affect the financial position of the company or may require disclosure.

#### INTERNAL FINANCIAL CONTROLS

The company has in place Internal Financial Control system, commensurate with size & complexity of its operations to ensure proper recording of financial and operational information & compliance of various internal controls & other regulatory & statutory compliances. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

Internal Auditors' comprising of professional Chartered Accountants monitor & evaluate the efficacy of Internal Financial Control system in the company, its compliance with operating system, accounting procedures & policies at all the locations of the company. Based on their report of Internal Audit function, corrective actions in the respective area are undertaken & controls are strengthened. Significant audit observations & corrective action suggested are presented to the Audit Committee.

#### PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

All the transactions with Related Parties are placed before the Audit Committee as also placed before the Board for approval. Prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

All transactions entered into with related parties during the year were on arm's length basis, in the ordinary course of business and in line with the threshold of materiality defined in the Company's policy on Related Party Transactions & are in accordance with the provisions of the Companies Act, 2013, Rules issued thereunder & Regulation 23 of (SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015. During the financial year ended on 31<sup>st</sup> March, 2023, there were no transactions with related parties which qualify as material transactions.

The details of the related party transactions are set out in Note 39 to the standalone financial statements forming part of this Annual Report.

The Form AOC-2 pursuant to section 134(3)(h) of the Companies Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as **Annexure VI** to this Report.

The Policy on Related Party Transactions as approved by the Board is also uploaded on the Company's website at the Link: [www.supreme.co.in](http://www.supreme.co.in)

#### PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES

The company has complied with the provisions of section 185 & 186 of the Act to the extent applicable, with respect to the loans and investments made.

#### VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES

A "Vigil Mechanism Policy" for Directors and employees of the Company is constituted, to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns by them of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

#### RISK MANAGEMENT POLICY

Your Company has an elaborate risk Management procedure and adopted a systematic approach to mitigate risk associated with accomplishment of objectives, operations, revenues and regulations. Your Company believes that this would ensure mitigating steps proactively and help to achieve stated objectives. The entity's objectives can be viewed in the context of four categories Strategic, Operations, Reporting and Compliance. The Company consider activities at all levels of the organization, viz Enterprise level, Division level, Business unit level and Subsidiary level, in Risk Management framework. The Risk Management process of the Company focuses on three elements, viz. (1) Risk Assessment; (2) Risk Management; (3) Risk Monitoring.

A Risk Management Committee is constituted which has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise risk management framework; and (b) Overseeing that all the risk that the organization faces.

The key risks and mitigating actions are also placed before the Audit Committee of the Company. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

#### CORPORATE SOCIAL RESPONSIBILITY POLICY

The brief outline of the Corporate Social Responsibility (CSR) Policy of the company and the initiatives undertaken by the company on CSR activities during the year are set out in Annexure of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules 2014. **Annexure VII (A), (B) & (C).**

The Policy is available on the website of the Company i.e. [www.supreme.co.in](http://www.supreme.co.in).

#### BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report (BRSR) as approved by the Business Responsibility and Sustainability Committee and Board of Directors for FY. 2022-23, forms part of this Annual Report.

#### DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and have a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. As required under law, an Internal Complaints Committee has been constituted for reporting and conducting inquiry into the complaints made by the victim on the harassments at the work place. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management

and Administration) Rules, 2014, the extract of the Annual Return of the Company for the Financial Year 31<sup>st</sup> March, 2023 is uploaded on the website of the Company and can be accessed at [www.supreme.co.in](http://www.supreme.co.in).

#### GENERAL DISCLOSURE

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (sweat equity shares) to employees of the Company under ESOS.
4. Neither the Managing Director nor the Whole Time Directors of the Company received any remuneration or commission from its subsidiary.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

#### ACKNOWLEDGEMENT

The Board of Directors wishes to express its gratitude and record its sincere appreciation for the commitment and dedicated efforts put in by all the employees at all the levels during the year. Your Directors take this opportunity to express their grateful appreciation for the encouragement, co-operation and support received by the Company from the local authorities, bankers, customers, suppliers and business associates. The directors are thankful to the esteemed shareholders for their continued support and the confidence reposed in the Company and its management.

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai  
Date: 28<sup>th</sup> April, 2023

## Annexure to the Boards' Report

Information as required under Rule 8(3) of the Companies (Accounts) Rules, 2014

### 1. CONSERVATION OF ENERGY

The Company is committed to transform energy conservation into a strategic business goal fully align with the technological sustainable development of Energy Management System. Company is putting best endeavour to reduce energy consumption in its manufacturing cycle activities. Company is also committed to improve energy efficiency in all manufacturing process and other areas of operations. The manufacturing units of the Company have continued their efforts to reduce their energy consumption year on year basis.

To achieve above objectives the following steps are being undertaken by the Company:-

- 1 Efficient utilization of Grid energy by continuously monitoring the Key parameters viz Contract demand, Power factor, Load factor & TOD tariff utilization on regular basis.
- 2 Encouraging use of advance engineering technologies in unit old plants for energy efficiency improvement & all new projects equipment's with superior technology.
- 3 Replacement of existing lights with LED Light.
- 4 Substitution of fossil fuel by PNG/LPG in manufacturing activity to reduce carbon intensity.
- 5 Optimization of D.G Running hours by express power feeder at Kanpur, Talegaon, Khopoli & also working on express feeder at Urse.
- 6 To monitor the continuous energy performance of Energy intensive units, ISO-50001 EnMS certified units at Nine locations Pondy, Jalgaon-I & II, Gadegaon, Durgapur, Kharagpur & Malanpur PVC, Kanpur, Noida. ISO 50001 is in implementation stage at six locations Hosur PPD, Malanpur PPD, Halol-GIDC, Halol-Muvala, Jadcherla & Derabassi.
- 7 Increase the use of renewable Energy by 34.70% in unit at all plants by own Roof Top solar & Procuring the clean energy through different energy sources wind/solar at PAN India location which was constituting 12.37% in 2021-22 and increased to 14.09% in 2022-23.
- 8 Greenhouse Gas emission (Scope-1 +2) increased by 1.50% & avoided emission is increased by 87.98% (Base Year 2019-20). CEA revised Emission Factor issued in Dec-22 considered.
- 9 Roof top solar capacity of organization is 28.05 Mwp FY 22-23 i.e. increase of 10.67 Mwp from FY 21-22 out of which 6.19 Mwp successfully commissioned at various units.
- 10 Further commissioning of 4.48 Mwp Roof Top Solar Power is in progress and shall be operational soon.
- 11 Being responsible corporate citizen and eco-friendly environment, company replace asbestos roof sheet with metallic sheet at various location at PAN India.

#### Wind Energy:-

During this FY 22-23, 120.01 Lakh wind units consumed by different units PAN India which is 3.80% of our total energy consumption.

#### Group Captive:-

During the FY 2021-22 company had signed PPA of 3.5 Mwp Group Captive Solar Power which is likely to be operational from Apr-May-23.

#### Hybrid Power:-

During the FY 2021-22 company had signed PPA of 229.83 Lakh Hybrid Units PA for its units located at Madhya Pradesh PVC and PPD & Erode Plant. Hybrid Power at GIDC & Muvala Units are expected to start by Q1 of FY 23-24.

### 2. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

#### A. RESEARCH & DEVELOPMENT (R&D)

- On-going study in the following areas to reduce cost of conservation and improve the quality.
- Evaluation of the alternative materials or additives to reduce the cost of raw material.
- Improving the output / input ratio to gain maximum finished products from per kg. Raw material.
- Wastage management is highly focused and monitored through corporate management and recycling the product by using good waste management process.
- Modify the mould and dies to improve the cycle time to get higher production from the same machine.
- To modify the process parameters to improve the quality.
- Expenditure on R & D: Not significant

#### B. TECHNOLOGY ADAPTION & INNOVATION

The company is the trend setters in plastic piping segment and claim to be a total piping solution provider with over 9500 products in the range. The company is continuously adding many unique, innovative and path breaking products to cater to the various application requirements on regular basis. Besides its own R&D team, Company is seeking the technical assistance from the experts in the field to offer the technologically advance and superior products to the market. Some of the unique and innovative products introduced during the last two years are as given below:

#### (i) Product: Elite advance PEX piping system for hot and cold water distribution

**Importance:** Owing to the fast pace of construction industry and the demand for advanced products in the country Company introduced advanced PEX piping system. This system was in demand for long time and availability of this system in different varieties of pipes and fittings endowed with many unique features makes it one of the most trustworthy systems. It will be certainly liked and accepted by the premium segment of the market as it has been designed and developed the complete system considering the local market requirements.

**Unique features** - World class Swiss technology and machine, first time in the country - TIG butt-welding technology used in pipe for more strength and durability, availability of multiple variants of pipes and fittings, compliance to International standards.



**(ii) Product: PE/ AL/PE pipe System**

**Importance:** In addition to the PEX piping, Company introduced PE-AL-PE special pipes for solar water application and for any hot and cold water distribution in exposed applications. These pipes are available with brass compression fittings and now part of the approved design for house connections for “Har Ghar Jal” mission in some states. These composite pipes have more strength and flexibility as compared to monolayer pipes.

**(iii) Product: PP-Compression Fittings**

**Importance:** The compression type fittings are in demand for water distribution in Har Ghar Jal. These fittings are designed and developed in-house and offered as a complete system along with the pipes.

**Unique features -** Reliable performance, robust design for strength and durability, tamper proof design, compatible with all types of PE pipes etc.

**(iv) Product: PE Electro-fusion fittings**

**Importance:** Due to increasing urbanization, new application segments like 24x7 drinking water supply, water distribution and piped gas supply are emerging at very faster pace. To meet this crucial application requirement, Supreme has introduced the safest and the most reliable ‘PE Electro-fusion fittings’. Manufactured using virgin raw material and most modernized injection moulding machines with integrated quality control, these fittings meets all international quality standard requirements.

**Unique features -** Extremely robust design, most suitable for conveying gas and drinking water, excellent long term service performance.

**(v) Product – Advance Surface Rainwater harvesting filters**

**Importance –** Nowadays, rainwater harvesting become a very important subject and Rainwater Filter is the important component in any rainwater harvesting system. The company has designed and developed a unique rainwater filter for the easy and effective filtration of the surface rainwater. This product is developed in association with a consulting firm, Space Elements, Ahmadabad, who are the experts in the water management and doing their work in a very scientific and professional manner. In the last year Company designed, developed and carried out all the required testing and installed this product at 20 locations in a very prestigious projects.

**Unique Features –** Compact and user-friendly design, high filtration efficiency, an ideal solution for ground water recharge of surface water and much better in comparison with conventional methodologies being used presently.

**(vi) Product: Truevent aerator**

**Importance –** looking at the growing trend of using single stack system in building drainage, a new product - aerator is in a great demand. To meet this requirement, Company has designed, developed and introduced this product under the brand name “Truevent”. This most innovative and versatile fitting is offered by utilizing

roto moulding, injection moulding and special welding technique to optimize the functionality, performance and cost effectiveness.

**Unique features -** Simple and versatile design, reduced stack size - needs smaller ducts, perfect balance between hydraulic and pneumatic pressures, saves pipes, fittings, space, time and labour cost.

**(vii) Product - ECOSIL – Blow moulded overhead water tanks**

**Importance:** These blow moulded overhead water storage tanks are designed to offer many best in class features to meet the customer requirements. These tanks are designed considering all functional parameters and are made available in four layered design to make it strong, durable using antibacterial material for inner layer.

**Unique features -** Strong and sturdy design, rounded edges which avoids stress formation, cost effective.

**(viii) Product: Horizontal underground septic tanks and water tanks**

**Importance:** Underground water storage tanks and septic tanks are the important products to offer better substitute to the conventional products.

These tanks are designed to provide a readymade solution which can be directly installed without any construction with a minimum time and labor. Horizontal tanks are 100% water-tight and are supplied in ready to install form and offers multiple benefits over conventional products.

**Unique features –** Compact ready to use product which is most suitable to install in smaller space available in an individual houses and because of its lesser depth it is the most ideal for the areas where water table is high.

**(ix) Product: Up gradation of Nu-drain Underground Drainage and Sewer System (UDSS)**

**Importance:** Recently, Company introduced many new products like 800mm size manholes, Ultra 1000 and 1200 manholes in single piece design with pipe connectivity of different types of pipes up to 630 mm sizes, blind inspection chambers and manholes to meet every requirement of the projects.

**Unique features –** Complete solution, user-friendly, flexibility in project design and installation and cost effectiveness.

**3. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars	₹ in Crores
Foreign Exchange Earned	242.43
Foreign Exchange Used	2621.04

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai  
Date: 28<sup>th</sup> April, 2023

## Annexure to the Boards' Report

Particulars of employees pursuant to Section 134(3) (q) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Requirement under Rule 5(1)	Details
1.	Ratio of the remuneration of Managing Director, Executive Directors & other Non-Executive Directors to the median remuneration of the Company for the Financial Year	Shri M. P. Taparia, Managing Director : 372.49 Shri S. J. Taparia, Executive Director : 369.49 Shri V. K. Taparia, Executive Director : 369.25 Shri B.L. Taparia : 5.03 Shri R. Kannan : 7.23 Shri Rajeev M Pandia : 7.60 Shri Sarthak Bahuria : 5.88 Ms Ameeta Parpia : 7.36
2.	Percentage increase/(decrease) in remuneration of Managing Director, each Executive Director, Chief Financial Officer, & Company Secretary (Salary of 2022-2023 vis-à-vis 2021-2022)	Shri M. P. Taparia, Managing Director : (0.85)% Shri S. J. Taparia, Executive Director : (3.04)% Shri V. K. Taparia, Executive Director : (1.97)% Shri P. C. Somani, CFO : 20.95% Shri R. J. Saboo, Company Secretary : 13.89%
3.	Percentage increase in the median remuneration of employees in the financial year (2022--2023 vis-à-vis 2021-2022)	Median Increase : 20.03%
4.	Number of Employees as on 31 <sup>st</sup> March, 2023 on rolls of Company	5458
5.	* Average percentile increase made in the salaries of employees other than the managerial personnel in last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:	11.09%
	* Justification for variation in the average percentile increase between Non Managerial employees and Managerial employees	The increase in the managerial remuneration was as per the Industry benchmarks.
6.	Key parameters for any variable component of remuneration availed by the Directors.	Commission: 1% of the net profits of the year as approved by the members at the AGM held on 29 <sup>th</sup> June 2018.
7.	Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration is as per the Nomination and Remuneration Policy of the Company.
8.	Percentage increase or decrease in the market quotations of the shares of the Company	The closing price of the Company's Equity Share on the NSE and BSE as of 31 <sup>st</sup> March, 2023 was ₹ 2513.55 and ₹ 2511.65 respectively.

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai  
Date: 28<sup>th</sup> April, 2023

ANNEXURE - III

**Annexure to the Boards' Report**

FORM AOC-I

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

**Statement containing salient features of the financial statement of subsidiary / associate company**

**Part A Subsidiary**

(₹ in Crores)

No.	Name of the Subsidiary Company	Reporting Currency	Exchange Rate as on 31 <sup>st</sup> March, 2023	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) Before Tax	Provision For Tax	Profit (Loss)	Proposed Dividend	% of holding
1	The Supreme Industries Overseas (FZE)	AED	22.37	0.19	2.11	4.77	4.77	NIL	3.38	-0.28	NIL	-0.28	NIL	100

**Part B Associate**

Statement pursuant to Section 129 (3) of the Companies Act, 2013, related to Associate Company

**Supreme Petrochem Limited**

(₹ in Crores)

Sr. No.	Name of Associate	Latest Audited Balance Sheet Date	Shares of Associate			Description of how there is significant influence	Reason why the associate is not consolidated	Net worth attributable to shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
			Nos.	Amount of investment in Associate	Extend of Holding %				Considered in Consolidation	Not considered in Consolidation
1	Supreme Petrochem Ltd.	31 <sup>st</sup> March, 2023	57872800	16.02	30.78	There is significant influence due to (%) of share capital	N.A.	571.25	153.25	344.89

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai  
Date: 28<sup>th</sup> April, 2023

## Annexure to the Boards' Report

### NOMINATION AND REMUNERATION POLICY

#### I. PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges], the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee. The Company already constituted Remuneration Committee comprising of three non-executive Independent Directors.

#### II. OBJECTIVE

The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

#### III. DEFINITIONS

- **"Board"** means Board of Directors of the Company.
- **"Company"** means "The Supreme Industries Limited."
- **"Employees"** Stock Option means the option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.
- **"Independent Director"** means a director referred to in Section 149 (6) of the Companies Act, 2013.
- **"Key Managerial Personnel"** (KMP) means
  - Chief Executive Officer or the Managing Director or the Manager,
  - Chief Financial Officer,
  - Company Secretary and
  - Such other officer as may be prescribed.
- **"Nomination and Remuneration Committee"** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations.
- **"Policy or This Policy"** means, "Nomination and Remuneration Policy."
- **"Remuneration"** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- **"Senior Management"** means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of

management one level below the executive directors, including all the functional heads.

#### IV. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, and/or any other SEBI Regulation(s) as amended from time to time.

#### V. GUIDING PRINCIPLES

The Policy ensures that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

#### VI. ROLE OF THE COMMITTEE

The role of the Committee inter alia will be the following:

- To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of every Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To devise a policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

#### VII. MEMBERSHIP

- The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent.
- The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.

- c) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- d) Membership of the Committee shall be disclosed in the Annual Report.
- e) Term of the Committee shall be continued unless terminated by the Board of Directors.

### VIII. CHAIRMAN

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

### IX. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

### X. COMMITTEE MEMBERS' INTERESTS

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

### XI. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

### XII. VOTING

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

### XIII. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

- **Appointment criteria and qualifications:**
  1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
  2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
  3. The Company shall not appoint or continue the employment of any person as Managing Director/ Whole- time Director / Manager who has attained the age of seventy years. Provided that the term of

the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

- **Term / Tenure:**

1. Managing Director/Whole-time Director / Manager (Managerial Person):
  - The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
2. Independent Director:
  - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
  - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1<sup>st</sup> October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.
  - At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

- **Evaluation:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

- **Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

- **Retirement:**

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

#### XIV. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT

• **General:**

1. The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person.
4. Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

• **Remuneration to Managerial Person, KMP and Senior Management:**

1. Fixed pay:

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

3. Provisions for excess remuneration:

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in

excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government

• **Remuneration to Non-Executive / Independent Director:**

1. Remuneration / Commission:

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. Limit of Remuneration /Commission:

Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

#### XV. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

#### XVI. DEVIATIONS FROM THIS POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai

Date: 28<sup>th</sup> April, 2023

## Annexure to the Boards' Report

### CRITERIA FOR :

#### 1. SELECTION OF DIRECTORS AND 2. SENIOR MANAGEMENT PERSONNEL

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges] requires the Nomination and Remuneration Committee to consider and lay down criteria for identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

#### CRITERIA FOR SELECTION OF DIRECTORS

The Nomination and Remuneration Committee shall consider the following for identifying and recommending persons for appointment as Directors on the Board of the Company:

1. The candidate's qualifications, knowledge, skills and experience in his/her respective field.
2. His/her reputation of honesty, integrity, ethical behaviour and leadership.
3. Achievements in industry, business, profession and / or social work.
4. Possesses appropriate skills, experience and knowledge in one or more fields such as finance, law, management, sales, marketing, administration, research, corporate governance and such other areas that are relevant to the Company's business.
5. Whether the candidate is free from any disqualification provided under Section 164 of the Companies Act, 2013.
6. Whether the candidate meets the conditions of being independent as stipulated under Companies Act, 2013 in case of appointment as Independent Director.

#### CRITERIA FOR SELECTION OF SENIOR MANAGEMENT PERSONNEL

The term Senior Management Personnel shall have the same meaning as provided in the explanation under Section 178 of the Companies Act, 2013.

The Committee shall before making any recommendation to the Board for appointment considers the following:

- 1) The candidate's qualifications and experience in the field / area for which he/she is being considered.
- 2) Candidate's reputation of honesty, integrity and ethical behaviour in past assignments.
- 3) Leadership skills, decision making skills, effective communication, ability to build team, foster team spirit and ability to work sincerely with dedication.
- 4) Past record in goal setting, developing strategy, devising a tactical road map and in motivating team members to overcome challenges and meet set goals.

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai  
Date: 28<sup>th</sup> April, 2023

## Annexure to the Boards' Report

FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Managerial Personnel) Rules, 2014]

To,  
The Members,  
**THE SUPREME INDUSTRIES LIMITED,**  
612 Raheja Chambers,  
Nariman Point,  
Mumbai – 400 021

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **The Supreme Industries Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [Not applicable to the Company during the audit period];
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 [Not applicable to the Company during the audit period];
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [Not applicable to the Company during the audit period];
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not applicable to the Company during the audit period]; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Not applicable to the Company during the audit period];
- (vi) The Company has identified the laws specifically applicable to the Company:
  - (a) Water (Prevention & Control of Pollution) Act, 1974;
  - (b) The Air (Prevention & Control of Pollution) Act, 1981;
  - (c) The Legal Metrology Act, 2009.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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



**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and as such there has been no change in the composition of the Board of Directors of the Company during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

For **V. LAXMAN & CO.,**

Date : 26<sup>th</sup> April, 2023  
Place : Mumbai  
UDIN NO. : F001513E00192704

**V. LAXMAN**  
Company Secretary  
FCS: 1513 CP 744

*This Report is to be read with our letter of even date which is attached as Annexure 'A' and forms an integral part of this Report.*

**ANNEXURE 'A'**

To,  
The Members,  
**The Supreme Industries Limited,**  
612 Raheja Chambers,  
Nariman Point,  
Mumbai – 400 021

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed proved a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of  
**V. Laxman & Co.,**  
Company Secretaries

Place : Mumbai  
Date : 26<sup>th</sup> April, 2023  
UDIN NO. : F001513E00192704

**(V. Laxman)**  
FCS No. 1513  
C P No. : 744

ANNEXURE - VI

**Annexure to the Boards' Report**

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)  
Form for disclosure of particulars of contracts / arrangements entered in to by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

**1. Details of contracts or arrangements or transactions not at arm's length basis::**

(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts /arrangements / transactions	(c) Duration of contracts / arrangements / transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any	(e) justification for entering in to such contracts or arrangements or transactions	(f) date(s) of approval by the Board	(g) Amount paid as advances, if any:	(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Not Applicable							

**2. Details of contracts or arrangements or transactions at arm's length basis:**

(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts / arrangements / transactions	(c) Duration of contracts / arrangements / transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any
Supreme Industries Overseas (FZE)	Sale of goods including compensation for rendering of services	On-going	In normal course of business & in line with Market Parameters. Sale of goods ₹ 1.43 Crores. Rendering of services ₹ 1.91 Crores.
Supreme Petrochem Ltd.	Purchase/Sale of goods or materials & provision of any services in connection with the sale or purchase of goods or materials including storage thereof.	On-going	In normal course of business & in line with Market Parameters. Purchase of goods ₹ 168.16 Crores. Sale of goods ₹ 0.54 Crores.
M/S Devvrat Impex (P) Ltd	Sales of Plastic Piping System	On-going	In normal course of business & in line with Market Parameters. Sale of Goods amount ₹ 60.63 Crores.
M/s Levram Lifesciences Pvt. Ltd.	Purchase/Sale of goods or materials & provision of any services in connection with the sale or purchase of goods or materials including storage thereof.	On-going	In normal course of business & in line with Market Parameters. Purchase of goods ₹ 0.01 Crores. Sale of goods ₹ 0.55 Crores.
M/s Styrenix Performance Materials Ltd.	Purchase of materials & provision of any services in connection with the purchase of materials including storage thereof.	On-going	In normal course of business & in line with Market Parameters. Purchase of goods ₹ 21.73 Crores.

**Note:-** Appropriate approvals have been taken for related party transactions. No Advances have been paid or received against the transactions mentioned above.

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai  
Date: 28<sup>th</sup> April 2023

ANNEXURE VII (A)

**Annexure to the Boards' Report**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ('CSR') ACTIVITIES FOR THE FINANCIAL YEAR 2022-23**

1. Brief outline on CSR Policy of the Company:

The Board of Directors' at its meeting held on 21<sup>st</sup> July, 2014 approved the CSR Policy of your company pursuant to the provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

2. Composition of CSR Committee:

S. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Ramnathan Kannan	Independent Director (Chairman)	1	1
2	Shri B. L. Taparia	Non-Executive Director	1	1
3	Shri M. P. Taparia	Managing Director	1	0

The CSR Committee met on 28<sup>th</sup> April, 2022 and it has taken on record the activities undertaken by the Company from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March 2022 and also discussed and approved the plan for the financial year 2022-2023.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company. [www.supreme.co.in](http://www.supreme.co.in)
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Annexure attached. Annexure VII (C)
5. (a) Average net profit of the company as per sub-section (5) of section 135. ₹ 940.01 Cr.  
 (b) Two percent of average net profit of the company as per sub-section (5) of section 135. ₹ 18.80 Cr.  
 (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. NA  
 (d) Amount required to be set-off for the financial year, if any. NIL  
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)]. ₹ 18.80 Cr.
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). ₹ 18.69 Cr.  
 (b) Amount spent in Administrative Overheads ₹ 0.27 Cr.  
 (c) Amount spent on Impact Assessment, if applicable. ₹ 0.006 Cr  
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. ₹ 18.97 Cr.  
 (e) CSR amount spent or unspent for the financial year: -

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the fund	Amount	Date of Transfer
₹ 18.96 Crores	NA	NA	NA	NA	NA

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

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	₹ 18.80 Cr.
(ii)	Total amount spent for the Financial Year	₹ 18.97 Cr.
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	₹ 0.17 Cr.
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NA
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	₹ 0.17 Cr.

7 Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Not Applicable

1	2	3	4	5	6	7	8	
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	2019-2020	NA						
2	2020-2021	NA						
3	2021-2022	NA						

8 Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NA

Yes  No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

9. (a) Details of unspent CSR amount for the preceding three financial years: Not Applicable

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

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.

On behalf of Board of Directors

M. P. Taparia  
Managing Director

R. Kannan  
(Chairman CSR Committee)

B. L. Taparia  
(Chairman)

Date: 28<sup>th</sup> April, 2023

## Annexure to the Boards' Report

### DETAILS OF ACTIVITIES UNDERTAKEN UNDER CORPORATE SOCIAL RESPONSIBILITY

#### 1. Supreme Foundation:-

The company conducts its Social Development Programmes directly as well as through Supreme Foundation which has been established primarily for the said purposes. The focus area chosen by the Company and foundation are education, uplifting of underprivileged community of the society, water, sanitation, health care and environment.

- (i) With these objective, Supreme foundation is playing important & constructive role in balancing the socio-economic structure of the Rajasthan region by deputing teachers, professors, & volunteers in the field of education and providing necessary resources so that the quality of education at Government Schools can be improved. Moreover, disparity in the quality of education between public and private schools can also be minimised.
- (ii) Supreme Foundation works towards excellence in education through its educational programs, which include access to educational facilities, providing of resources, and necessary training. It is providing the platforms for the rural children of the feeder villages to join education program, so that their educational skills can be improved through serving and supporting the government schools of rural areas.

#### 2. Purpose :-

The company has initiated project to recruit the teacher and lecturers for providing (i) General Education to the students in Government Schools of Ladnun & Surajmal Tehsils (ii) Sanskrit School Education in Ajmer & Bikaner Divisions and in Government Sanskrit colleges in Rajasthan through Supreme Foundation. To meet the above objective, Supreme Foundation from time to time has renewed the existing Agreements/ MOUs regarding recruitment of volunteers, teachers in the primary/ secondary schools in (9) nine Districts of Rajasthan. It has also renewed a MOU with (i) Divisional Sanskrit Education Officer, Ajmer, (ii) Govt. of Rajasthan & (iii) Education Department, Nagaur. It has also signed MOU with education department of Sujangarth Tehsil on 21<sup>st</sup> February 2023. In this MOU, Supreme Foundation has taken a journey of 6 years for quality education. Supreme foundation also operates mobile Computer buses to provide digital learnings to village children. This initiative has been appreciated by all the dignitaries who visited and witnessed the functioning of foundation in this regard.

Supreme foundation has been working with primary objective summarised as under:-

- a. Upgradation of basic education at foundation level in primary/ secondary school.
- b. To promote encouragement of girls education.
- c. Encouraging sports & cultural activities.
- d. Uplifting level of education to backward section of children in the society.
- e. Recognition of meritorious students.
- f. Making School Campus green, clean and environment friendly.
- g. Learning of Computer Application
- h. Tree plantation.

Supreme Foundation is working to promote Sanskrit language. It is providing lecturers at various Sanskrit Colleges in Rajasthan to promote & augment Sanskrit language among students the purpose of which is to spread the spirit of universal brotherhood, & make them understand importance of Indian cultural values & its rich heritage.

#### 3. Brief description of activities undertaken in Government Sanskrit College & Government Sanskrit School which yielded significant achievements in various districts of Rajasthan are mentioned as under:

(I) **Overall improvement in the performance of the students:-** Before 5/6 years the School were working in pathetic manner and were on the verge of close down due to low level of learning skill amongst the students in main subjects, owing to vacant position of teachers in these subjects for many years, missing of academic activities & dominance of private schools.

However after engagement of more volunteers/ teachers/lecturers subject-wise by Supreme Foundation, there have been overall improvements in the performance of students. After schools started running regularly, interest of the students increased towards Govt. schools & overall development witnessed in the learning level of students. Due to the special effort of teaching through remedial courses in mathematics, Science & English, extra ordinary progress has been seen in the examination result in these subjects. This had resulted the upgradation of schools of Sanskrit education by the department in their record.

(II) **Teachers training in Summer Vacation** Different learning techniques were provided in reading/ writing and skills development of Volunteers, to enable them to update their skills and techniques while they impart education/teaching to students & to provide better coaching to them in a more professional & systematic method.

(III) **Bridge course for Primary & Upper Primary Classes:**

Due to the lockdown and closure of the schools there has been degradation in the level of primary/ upper classes, learning gap was created in the studies due to protraction of students as per Government Policy without exams, which was reflected in almost all the schools at different locations viz. Ladnun, Sujangarth, Ajmer, Bhilwara Nagaur, Tonk, Churu, Bikaner, Hanumangarh, Ganganagar & Jhunjhunu.

To bridge the same and to improve subject wise learning skills of the students, special efforts were made, after carrying out baseline assessment of primary class students, to provide education through "Bridge Course Classes" by deputing (a) additional primary teachers in the schools (b) Conducting extra classes to cover extra course for general education & Sanskrit education (c) To complete the syllabus on timeline and with proper comprehension.

Duration of these Bridge Courses was for 27 days in which 220 schools participated under the monitoring of 10 students and 520 volunteer teachers and 225 Government teachers, which resulted in the benefit of 5,834 students.

**(IV) Active Participation of Students in Sports & Cultural Activities**

As an ongoing initiatives of Supreme Foundation for supporting & mentoring sporting talents the students have participated in traditional sports and cultural activities and shown good performance in various types of competition. The participation of college girls in these activities was also encouraging. The winner/ runner up students were received various rewards. These competitions have improved physical fitness amongst students and enabled them to perform daily activities in timely & disciplined manner.

**(V) Environmental Awareness through Tree Plantation**

The volunteer teachers, with the guidance and interest of the trustees, have taken the initiative to plant trees in school premises, contributing to environmental conservation and promoting green practices. This tree plantation drive not only helps in creating a green and sustainable environment, but also instills in students the value of preserving natural resources. The active involvement of volunteer teachers and the supervision of the main trustee have resulted in successful tree plantation efforts in government schools, promoting a greener and healthier ecosystem for the benefit of the students and the community at large.

**(VI) Recognition to under privileged & community students:-** Due recognition and respect were given to community students & equal opportunities were provided to underprivileged students, which encouraged them to attain higher educational level. These initiative has helped in overall improvement amongst students and especially boosted the confidence of weaker students while they study.

**(VII) Distribution of Sweaters**

Foreseeing the winter season, when the climate is too cold in Rajasthan, sweaters were distributed in different districts amongst students, well before the peak winter. Total around 30,000 sweaters were distributed amongst the students to protect them from cold winter and it has provided much relief to the needy students.

Students were provided free notebooks, erasers, pencils and other educational materials.

**(VIII) Learning through Computer Buses**

(a) Earlier the students of the govt. schools, most of them belongs to very poor families, were not getting the chance to know basic knowledge of computer, since it was never used by them due to non-availability of computers lab till upper primary level. Even in most of secondary and senior secondary schools where computer labs were available proper computer classes/ training were not held due to non-functioning of computer in working conditions. When computer bus facility was started, this initiative was well appreciated by the school authorities. Now the students are learning practical knowledge of computer and also its usefulness & general applications. Besides students, young people are also taking interest in learning applications of computer. Presently two computer buses are moving in several districts of Rajasthan, fully equipped with 20 computer station in each bus and a computer teacher & coordinator.

(b) The Supreme Foundation has provided Used Computer Sets for primary/ upper schools for Computer Literacy Program for those students who wanted to learn computer but are deprived of this benefits due to non-availability of "Computer Bus" in their area. So it has planned to provide them one Computer set, after minor repairing. It is also helping the staff to do their basic computer work on Shala Darpan portal.

**(IX) Providing necessary infrastructure as & when required:-** Supreme foundation has supported schools by undertaking repairs, renovations & other civil work & providing necessary infrastructure to individual schools which are situated in different districts of Rajasthan which has created meaningful impact across the schools through infrastructure development.

**(X) Change in the overall school ecosystem & perception of parents:-** Though the enrolment ratio has fallen after re-opening of school in view of the general impact of covid-19, however students were motivated to return to school after restoration of normalcy. It has become no longer boring to the students to come to the schools & they now have access to proper sitting arrangement in their classrooms, colourful walls, proper sanitation facilities etc. Besides teachers feel proud now with the overall changes in the school environment. Parents have also expressed their satisfaction & happiness about the look & feel of the schools & the available facilities in the schools & they wanted to continue educating their children in the same school.

**4. Other initiatives :**

**(1) Village health improvement initiatives**

This initiative has entered its 15<sup>th</sup> successful year, since its inception in the year 2008. The health center's main camp is located at Dhadgaon in the District of Nandurbar, Maharashtra. This facility comprises of a mobile medical van equipped with necessary diagnostic equipment, medicines, injectables etc., which is manned by a team of 4 persons, which includes a Doctor, a Nurse, a Kishori co-ordinator and a Driver.

The whole activity is conducted under the guidance and supervision of a Project Coordinator. This facility has benefited as many as 8,950 villagers from 29 villages/ hamlest, mostly of the tribal areas and residing in remote villages of Nandurbar District.

The above health improvement programme initiative includes:-

- a) Kishori Karyashalas (Kishori Workshops) at villages for adolescent girls.
- b) Free distribution of medicines during epidemics.
- c) Free distribution of medicines such as haemoglobin, iron and calcium supplements.
- d) Company's Ambulance is provided to the needy and critical patients of nearby villages for first aid as well as transferring patients to the government or private hospitals in bigger towns for better treatment.

**(2) Construction of Public Toilet Block at Ramdas Park, Jalgaon:**

This Public Toilet Block (Convenience facility) was built and made operational on 21<sup>st</sup> Jan 2023. It is a PAY & USE facility which is maintained & operated by the company. This is the third facility of its nature provided by the company in the service of the citizens of Jalgaon city which is in line with the Govt. of India's "Swacchh Bharat Abhiyaan". This will help Municipal Corporation towards its goal of getting recognition to the city of Jalgaon as a Clean & Smart City.

The company has signed an agreement with Jalgaon Municipal Corporation and as such this facility will be operated & maintained by the company for a period of 30 years which may be extended further on mutual consent. It is located in the heart of the city on a prominent road near M. J. College & neighbouring areas with educational & commercial activity.

**FUTURE PLANS**

- (A) In coming year, Supreme Foundation shall continue to provide support to Govt. schools/Govt. colleges through recruitment of subject wise volunteer, teachers and lecturers in the programme area so as to provide quality education in Govt. school/Govt. colleges in rural areas for all around progress and holistic development of the students through training, mentoring and Monitoring of teachers as well as improving learning skill through Computer literacy programme. Foundation has received many request from educational authorities & representatives to further increase the strength of volunteer teachers as many posts are vacant. Supreme foundation would accordingly increase the requisite resources.
- (B) Supreme Foundation has entered into MOU dt. 21<sup>st</sup> February 2023 with Chief District Education Officer of Churu District with the objective of (i) developing smart schools and installation of interactive digital boards in various government schools in Churu districts. (ii) Construction of (a) convenience facility for girls students (b) repairs/ construction of toilet blocks and (iii) Making existing Information & Communication Technology (ICT) labs fully functional in various government school in Churu district of Rajasthan.
- (C) Supreme Foundation has entered an agreement dt. 21<sup>st</sup> March 2023 with Municipal Corporation Jalgaon for (i) construction/ development of public convenience facility at prominent locality in Jalgaon and thereafter management & maintenance of the same for a period of 30 years.
- (D) The Company is also committing contribution for various CSR activities around its plant locations for development of public facilities and upliftment of underprivileged including sponsoring of health care programmes.
- (E) The Company/Foundation has made plans to spend about ₹ 25 Crores on various CSR activities during the year 2023-2024.

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai

Date: 28<sup>th</sup> April, 2023

## Annexure to the Boards' Report

### EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT REPORT

The industrial intervention for social up-liftment is ensured by its CSR policy. The sole motto of Sarvena Sukhinah Bhavantu - happiness and peace for all is Supreme foundation's modus operandi for effective program activities under corporate social responsibility. The Supreme Industries Ltd. Gadegaon has CSR project activities in Dhadgaon (Akrani) block of Nandurbar district and Jalgaon-Jamner city of Jalgaon district. The partner organisations for the implementation are Yahamogi Adivasi Bahuuddeshiya Vikas Sanstha Dhadgaon and Muncipal Corporation of Jalgaon and Jamner, Dist- Jalgaon. The special focus of work activities was on the health aspect of community Development through Mobile Clinic, Adolescent Girl Health Education programs and Community Toilet facilities. The objectives of the study were to measure, analyse, investigate and document the impact of CSR activities of Supreme Industries Ltd, Gadegaon. Embedded research design of mixed research methodology used for the study. The qualitative data embedded in the quantitative data of the study. The purposive sampling method was used to collect data from 80 beneficiaries across Dhadgaon, Akalkuwa blocks and Jalgaon-Jamner cities.

The report is the detailed documentation of CSR intervention impact on the beneficiaries of the project. The first chapter is Need for Impact Assessment which describes the concept of 'Corporate Social Responsibility' and 'Impact Assessment'. It also gives an overview of Supreme Industries Ltd and collaborating agencies on the project. The second chapter is 'Health and Sanitation Project' which gives detailed illustration on the Supreme industries Ltd initiatives in health sector. The project activities and area of influence are introduced in the same chapter. The third chapter is of methodology to explain detailed procedure of the impact assessment with tools and techniques of the data collection and analysis. The fourth chapter is of significant findings which describes the impact of the project activities in different theoretical and scientific frameworks. The fifth chapter is the Conclusion and Recommendations. The policy of intervention and suggestive measures were discussed for project upgradation and replicability across pan India in the chapter.

In five-point scale the 90 % respondents had given maximum points of 5 for experience of 'Medicines and Treatment are easily accessible and annual family health expenses are reduced'. 'The proportion of illness or disease state of body and mind is reduced' was said by 70 % respondents with scale point of 4. 'Increase participation in social activities and increase in discussions on health-related issues' was experienced by 70% respondents with point score of 4. The project findings are significantly impactful to the objectives.

To achieve the sustenance of these activities for betterment of the community following are the four suggestive remarks as Political Awareness is essential about interventions; Water self-sustenance is needed for the success of project; Health care unit need to strengthen with hike in remuneration with new van; Extension and Replication of the Mobile Clinic with Adolescent health care program are essential.

#### OECD Impact Analysis

NGO	Relevance	Coherence	Effectiveness	Efficiency	Impact	Sustainability
YMO	High	High	Medium	High	High	Low
JMC-JC *	High	High	High	High	High	High

\*JMC – Jalgaon Muncipal Corporation, JC – Jamner Corporation

The impact assessment report is available on Company's website at [www.supreme.co.in](http://www.supreme.co.in)

Date: 28<sup>th</sup> April, 2023



## Management Discussion and Analysis

### 1. OVERVIEW

The year began on a positive note as the adverse effect of Covid pandemic was effectively controlled with unprecedented vaccination drive and valuable guidance from Central and State Governments.

In India, RBI with its effective monetary measures, managed to contain inflationary pressures much better than the Central banks in most other countries. Agricultural crops were robust. Large investments were initiated in infrastructure by Central and State Governments. Forecast about monsoon was good, giving hope to boost agricultural production in the year.

Demand for housing was also quite robust. Due to weak world economic forecast the commodity prices were on downward path, which augured well for boosting growth in economy of the country.

Fiscal deficits of the Governments were also contained.

Cumulative effect of these developments enabled the Company to achieve 29% volume growth in the year, thus recovering quite a bit of the business lost in preceding two years. The Company's major raw material usage is PVC, which witnessed a fall in prices of more than 40% in first half of the year under review, which resulted in substantial inventory loss to the Company.

However, the said steep fall in PVC prices brought with it an opportunity as the products became more affordable. This coupled with increased market reach, continuous introduction of new products and expansion of capacities, enabled the Company to cross half a million tons of sale of Plastic products during the year. The Company now aims to reach sales volume of one million ton in next 5 to 6 years' time.

The Company sold 5,06,501 tons of products in the year which has reversed de-growth in volume witnessed in preceding two years.

During the year, Barring Cross Laminated Film and Protective Packaging business, all other businesses have shown improved demand prospects. Company has initiated several steps in both these product portfolio and is intensifying their reach in global markets. The Company expects much better business prospects in both these products during the current year.

The Company envisages good growth in business opportunities going forward and expects to achieve overall 15% volume growth in the year 2023-24.

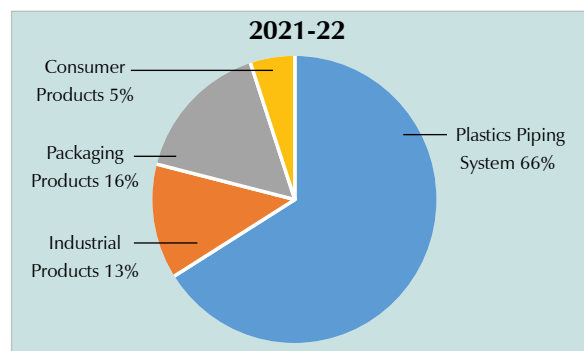
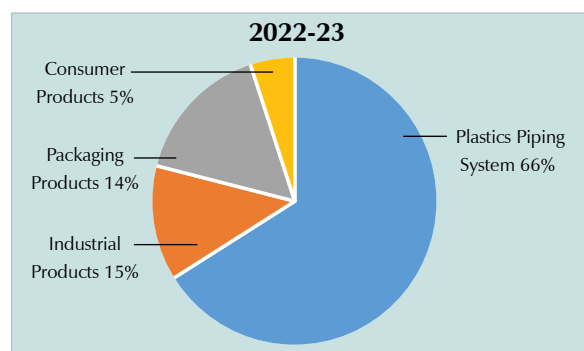
### 2. PRODUCT GROUPS

The product groups of The Company have been recast as follows:

Group	Products
Plastics Piping System	uPVC Pipes, Injection Moulded PVC fittings and handmade fittings, Polypropylene Random Co-polymer pipe system, HDPE Pipe Systems, CPVC Pipes Systems, Inspection Chambers, manholes, Toilets Bath fittings, Roto moulded Tanks and Fittings and Solvents, Industrial Piping System, DWC, PEX Pe Pipe System and Fire Sprinkler System

Group	Products
Consumer products	Furniture
Industrial Products	Industrial Components, Material handling System and Pallets - Roto moulded crates, pallets and garbage bins and Composite LPG Cylinders.
Packaging Products	Flexible packaging film products, Protective Packaging Products, Cross Laminated Film products

### PRODUCT GROUP WISE SHARE IN TURNOVER FOR THE LAST TWO YEARS (% OF Value)



The net turnover (including other income) of the Company for the year under review was ₹ 9282.94 Crores (including ₹ 71.84 Crores by way of trading in other related products) as against ₹ 7840.51 Crores (including ₹ 105.89 Crores by way of trading in other related products) during the previous year.

During the year under review the Company has sold 5,06,501 tons of Plastic products as against 3,93,908 tons of Plastic products in the corresponding period of previous year, reflecting growth of 29% in product turnover by volume.

The Company exported goods worth US \$ 29.27 million as against US \$ 29.11 million during the corresponding period of the previous year.

Profit before interest, depreciation and exceptional items and taxes during the period under review have been at ₹ 1281.84 Crores as against ₹ 1309.89 Crores during the previous year.

### 3. COMPANY STRENGTH AND GROWTH DRIVERS

#### 3.1 Manufacturing Sites

During the year under review, The Company has added three new greenfield sites which went into commercial production one after the other. Company is now operating from 28 manufacturing sites across 12 States and Union Territories. Pan India geographical spread of manufacturing facilities provides excellent support in servicing the customers efficiently and economically. The Company has plans to add more Green Field Projects and work for 29<sup>th</sup> state of the art facility at Malanpur (Madhya Pradesh) to manufacture Industrial and Ball Valves. The same is being taken in hand and is likely to be in operation during second half of the current year.

#### 3.2 Distribution Network

The Company is successfully spreading its reach in various parts of the country where it is being less represented. Each of the business division of the Company is working out extensive plan and strategy to reach such area by appointing new channel partners, increasing retailers and influencers connect and also creating awareness and promotional campaigns. The Company's active Channels Partners strength increased to 4577 Nos as on 31<sup>st</sup> March 2023 as compared to 4053 Nos as on 31<sup>st</sup> March 2022.

Company has also been participating in various national and international exhibitions, and remains focused on spreading its wings to international markets. Presently Company's products are being exported to 54 countries and efforts are being made to reach more countries and new customers.

The Company continues to open more Depots & fabrication facilities to provide value added services in a cost efficient manner to its customers. The Company has total 40 Depots and Fabrication facilities for its various product groups.

#### 3.3 Growth Drivers

The Company has increased its spending for brand awareness to ₹ 97 crores from ₹ 63 Crores spent in previous year to strengthen its brand. Company is judiciously spending on various media platforms including national and regional TV advertisement, OTT platforms during popular events and popular trade magazines.

Company is taking numerous initiatives on digital activities for promoting its brand and creating product awareness. Company has launched its' new website incorporating latest features & giving out valuable insights about Supreme Corporate brand, its philosophy, its strengths and detailed product offering of all business verticals. Considering the market dynamics of its various product verticals and to promote search activity for corporate brand, Company plans to increase its spending further for Google Search activity.

Company has distinct social media presence on various major platforms like Facebook, LinkedIn, YouTube, Instagram etc. Company has good follower base on all these platforms which is helping in increasing visibility, customer connect / interaction and enquiries. Company has also launched dedicated product information sharing mobile apps for Pipe and furniture divisions.

The Company's focus on strengthening its bond with influencers like plumbers, architects etc. is giving fruitful results. It not only makes the visibility of new and innovative products of the Company being introduced but also make

them educated and skilled for proper application techniques etc. Role of knowledge centers is proving very fruitful. They are providing knowledge about new products/applications and are able to create awareness among architects, contractors, farmers, plumbers and channel partners and thousands of business associates who are getting benefitted.

Company is also effectively dealing with the menace of counterfeit products created by certain unscrupulous players in a large way particularly in the Pipe Segment and Cross Laminated film segments. Company is determined to deal with such malpractices in best possible manner by engaging teams of professionals to take suitable measures to overcome this continuous and recurring problem.

#### 3.4. Renewable Energy & Sustainability

Company is committed towards the Sustainability development & Climate change and has taken focused approach to reduce the Carbon foot print & Water conservation.

Company's unshakeable belief that its business possesses immense capability to make a transformational contribution as a corporate to make sustainability a core component of its 'business strategy. The Company formed a vertical - Energy and Environment for climate change, energy efficiency and renewable energy programme to augment its vision towards Sustainable Development.

Company has taken various concrete steps to move forward in Sustainable Development by establishing the roof top solar power at different locations across India by making substantial investment to Increase Green energy quantum. Pursing a proactive strategy of DE carbonization, Company is increasing its renewable energy footprints, thus enhancing the green infrastructure across India. It has Increased its Solar Capacity from 17.38 MWp (FY 21-22) to 28.05 MWp (22-23).

To ensure the positive environmental footprint, Company has adopted a low-carbon growth strategy which focuses on enhanced use of renewable energy resources as well as the reduction of specific energy consumption. In line with this strategy, company's nine manufacturing facilities are already EnMS certified and others are working in that direction.

The Company has achieved increased Re contribution from 31.2 Million kwh which constitutes 12.37% (FY 21-22) to 44.46 Million kwh which is 14.08% of overall energy consumption. (FY-22-23). Also avoided emissions increased from 26,109 Tco2e (21-22) to 35,992 Tco2e (22-23).

Sustainability Road Map – Green energy "Lakshay"

Company is vigorously pursuing its green energy goals and have planned following:

- Long Term PPA of 25 Years for 3.5 Mw for Noida & Kanpur plant
- Long term Group Captive Hybrid PPA of 20 Million KWH PA for units located at Tamilnadu and MP.
- Long Term Open Access Hybrid PPA Units of 2.9 Million Kwh PA for unit located at Gujrat.
- To increase RE Energy share to 25% by 2024-25.
- Planned additional 14 Mwp Solar Installation by 2025 and commit required capital investment.

It is heartening to share with you all that three facilities of the Company viz; Lalru, Jalgaon and Kanpur won CII23rd National award for excellence in Energy management. Company was also the winner of Econour Sustainability

Award 2022 for the Best practices in sustainability and Gold Care India Sustainability Award 2022 in Plastic Sector for outstanding achievement in Sustainability Management.

#### 4. OPERATIONAL PERFORMANCE

##### 4.1 PLASTICS PIPING SYSTEMS (N)

The Company remained focussed on its business of Plastic Pipe System business and continue to grow aggressively. Company is a leader in the segment and has the largest portfolio of products. Company continues to expand its product portfolio with newer SKUs & systems for various applications as required by the market it caters to.

During the year under review the Company achieved volume growth of about 37% in Plastic Piping System made from different plastic materials. Overall the Company sold 3,75,046 Tons of Pipe System compared to 2,74,295 Tons in the preceding year. However due to steep reduction in PVC resin prices, revenue growth was at about 20% over previous year.

PVC is the predominant raw material in the Company's Plastic Pipe business. During the year 22-23 the prices of PVC were again literally in roller coaster mode for second year in succession. The prices of PVC were in downward trend from 1<sup>st</sup> April'22 till third week of November'22. Overall prices of PVC went down by ₹ 67/- per kg during that period. This has resulted in large inventory loss. Thereafter from 1<sup>st</sup> December'22 prices of PVC started increasing till up to January'23 and the rise was close to ₹ 15/- per kg. From 14<sup>th</sup> March'23 onwards the increasing trend in prices of PVC was arrested. Prices are now close to stable at lower level leading to boost in consumption in the Country. The Country experienced growth of around 32% in PVC resin consumption as the previous two years growth was negative.

The Government at the Centre and States have taken several initiatives, like focus on Jal Jeevan Mission, Swatch Bharat Abhiyan, Sanitation, affordable housing, smart cities and many more, which all are boosting demand for plastic piping products. The initiatives are much more pronounced in the past year. The same trend continues from the beginning of this year also.

Real Estate Regulation Act (RERA) is now well established and giving boost to organised housing construction. Many large players have announced ambitious plans in this sector to grow geometrically with launch of their projects at multiple locations. Company has also introduced low cost products for affordable housing segment meeting all functional requirements. The Company expects good business from this segment on a sustainable basis.

The Company incurred a Capex of ₹ 398 crores in this division during the year under review in its various plants to build higher capacities and increased range and commissioning of three Greenfield projects. All three Greenfield plants have gone into production during the year one after the another.

The Company has started manufacturing at one more plant at South zone at Perunduraj, District Erode, at Tamil Nadu in addition to its existing plant at Jadcherla in Telangana making its presence stronger in southern India. Erode plant is at a strategic location to service Tamil Nadu, Kerala and part of South Karnataka, cost effectively The company has taken in hand to double the capacity of PVC Pipes and also

start manufacturing DWC Pipes and Blow Moulded Water Tanks manufacturing at Erode during this year.

The plant at Kharagpur is fully operational. The increased capacity of HDPE and DWC Pipes at Kharagpur plant is in place. Further capacity expansion of Moulded Fittings is planned and will be implemented during the year 2023-24.

The production of Double Wall Corrugated HDPE Pipes continues from Gadegaon and Kharagpur plants with necessary BIS Certification. The Company has also launched suitable DWC Pipe for Cable Ducting application to cater to this application. The Company is in process to educate various user departments about the benefits of putting in place a good quality DWC Pipes with latest technology and using virgin certified raw materials in terms of performance and longer life. The Company is also promoting successfully the DWC Pipe requirement of private Building societies through Channel Partners mainly on merit of quality of DWC Pipes supplied by the Company. The Company now also plans to start the DWC Pipes manufacturing in the current year at Kanpur plant for North market and at Erode plant for South market.

The Company now has seven plants producing HDPE Pipes in West, East, South and North Zones to cater to these markets cost efficiently. The Company plans to start manufacturing HDPE pipe at Kanpur plant in the current year. The Business of HDPE Pipes System had 68% volume growth during the year under review.

The Company now manufactures Water tanks in all the four geographies of the country viz., North, South, East and West to service these markets cost effectively. This business grew by 46.8% in volume during the year under review over the preceding year. Company's Premium range of Water Tanks "Weather Shield" with added features such as superior thermal insulation etc., from three locations has received good market response. To cater to economy range of Water Tanks market the Company has started the manufacturing of Blow Moulded Water Tanks at Kharagpur and also plans to start manufacturing of Blow Moulded Water Tanks at Erode. Overall, now the Company is producing Tanks at eight different locations which will enable it to service customers more economically.

The total product portfolio in Plastic Pipe System has reached 10,073 nos., thus adding 965 products to the range of various Plastic Piping System, over the preceding previous year. The Company has plans of introducing further new items during the year as per existing system along with the addition of new system as required in the country.

The Company manufactures the cPVC Pipes at four of its manufacturing locations and cPVC Fittings at two of its manufacturing locations with all necessary BIS certification. The Company now has multiple sources to get increased volume of cPVC resins.. The cPVC system sales during the year under review grew by 24% in volume over preceding year.

The Company has started manufacturing Braided and Plain Hoses at Guwahati, Gadegaon, Erode and Cuttack Plants. These hoses are principally made to cater Technical Hose requirement like Fertilizer spraying hoses and Gas hoses. Over a period, several varieties of hoses are planned to meet high performance hose requirement in the Country.

The Company has come with e-lite brand of Pex pipe Systems. The pipes are made from state of art Swiss

technology. These are composite pipe i.e. PEX/AL/PEX which withstand high temperature and pressure. The Company is also making Pex mono layer pipes.

The Company has developed metal fittings suitable for the market for this application. The fittings are offered in Two varieties i.e. compression and crimping type. The Company is developing plastic based fittings which can withstand high temperature. The same may be launched during the later part of this year. High rise building and premium villas will require these type of system which is presently catered only from imports.

Your Company has produced PE/AL/PE pipe for house service connections from existing PEX/AL/PEX line. These type of pipes are now part of house connection design approved for "Nal se Jal" scheme. The Company's product line has procured BIS certification.

The compression type fittings for these pipes are also developed to offer complete system of Pe/AL/Pe Pipes applications.

The Company has successfully launched Electrofusion Olefins fittings and compression molded fitting with a portfolio of 179 Nos. The Company plans to increase the range substantially and add another 140 new products during the current year. With Electrofusion Olefin fittings, Company has entered into Industrial piping system, which offers new business opportunities.

The company is now adding range of PPR pipe system for industrial applications.

Your Company has launched Cable shield conduit system. The conduits are made at Gadegaon, Cuttack. Kanpur and Erode factory. Malanpur plant will be added in the current year. The fittings for the systems are made at Kharagpur.

Company has taken in hand to offer Gas Piping System from its' Gadegaon Plant. Government has plans to multiply supply of Gas through pipe system in the country. Company expects to launch the same in second half of the current year, along with the required DVGW approved Electrofusion fittings.

The Company has plans to introduce PP Silent pipe system during the year from its Gadegaon plant which will have improved sound damping capability. There is large growth in demand for Silent pipes system due to high rise buildings being constructed across the Country with an advanced drainage system. The System has good export potential also.

The Company has started manufacturing variety of Specialized Valves such as Butterfly Valves, Swing Check Valves, Ball type non-return Valve etc.. These Valves have been designed for different applications and are made of specialized materials to ensure reliability & longer life and also to meet best of global standards. The Company has received positive response from the market. The Company intends to increase the range of Valves for Industrial usage in the current year.

The AQUAKRAFT Bath Fittings (including newly launched Chrome Plated range) introduced by the Company is now well established. There were 44 new items introduced during the year. The portfolio in Bath Fittings has reached to 194 items. The Company plans to further complement the range during 2023-24 by introducing many new products in Bath fittings including some of the premium products. The enhanced manufacturing facility at the newly built unit to make Bath Fittings at Puducherry is fully operational. The

Bath Fittings sales during the year under review grew by 48% over the previous year. The Company intends to double its' manufacturing capacity by value from ₹ 10 crs. per month to ₹ 20 Crs. per month at its existing site at Puducherry.

The Company now has 36 Product Systems in the division and plans to add another 4 new systems in the division viz. PP Low Noise system, Polyethylene Gas Piping System, PE/AL/PE Pipe system and PPR & PPR Composite Industrial Pipes and Fittings System during the current year

The Company's business to Export market during the year had a growth of about 6% in US \$ terms. The Company is continuously trying to increase its export business of Piping Systems in several markets.

The Division's Value-Added Products sale was 44% compared to 42% in the previous year. The Company has added 193 new Channel Partner during the year 2022-23 and is now servicing through 1443 Channel partners. The Company continues to expand its reach by appointing new Distributors in areas where there is a gap in servicing. The Company has also started directly servicing retailers in selected markets for certain specific products of this division.

The Company has set up multiple Knowledge Centres across the country to train Plumbers and interact with Farmers, Architects and Plumbing consultants in respective zones. Currently, they are functioning at Gadegaon, Kochi, Malanpur and Kharagpur. Company expects to start such centres at Jadcherla and Erode during this year.

With the help of specialists, the Company has embarked upon a new activity with nomenclature as "Plumbing Workshop" which is a full day session with Plumbers, to improve their skill in installation of Plastic Pipe System. The Company shares latest Plumbing techniques along with applications of new products introduced by the Company in the recent past in it's range to the Plumber fraternity. The markets have well appreciated it and there is pressure on Company to increase the Plumbing Workshop numbers substantially. The company conducted 262 Plumbing Workshops during the year 2022-23 and trained 12362 plumbers. The Company plans to conduct large numbers of Plumbing Workshops during the year 2023-24. There are now more than 1,55,000 Plumbers associated with the Company.

FlameGuard cPVC pipe system made by the Company is considered as a safe material for the use in fire sprinkler system in many parts of the country. Unlike plumbing system, a fire sprinkler system requires multiple approvals. Much awaited revision in Indian standard IS-15105 has been completed and revised standard has been published. Now CPVC has been considered as a superior material than metal system for use in Automatic sprinkler fire system. As system is approved in Indian standard more customers have started exploring this system as an alternate material to traditional metal system.

Maharashtra, Karnataka and Gujarat have already started the use of CPVC Fire Sprinkler system. The Company is proud to share that it's FlameGuard system is installed in modern coaches of all "Vande Bharat Express" trains. Due to cost differential the system has limited success in some part of the country where MS pipe is still considered as material for installation in sprinkler system instead of GI pipe. The cost of the MS pipe is approximately 20-25% less compared to GI pipe system.

Product installation training for this system is a mandatory requirement before the actual installation starts to avoid hiccups. The Company provides the technical support and also offers value engineering to reduce the cost without compromising the quality of the installation. The company has registered a growth of 67% in FlameGuard system over previous year. The Company expects substantial business growth in this segment in coming years.

Your Company has taken plans in hand to put its 29<sup>th</sup> manufacturing state of the art plant at Malanpur. That plant will be dedicated to manufacture varieties of Industrial valves and Ball valves. The same is expected to go in production in second half of this year, with an installed capacity of One and half million Nos per month.

With all the systems launched successfully and with the addition of three manufacturing sites which have gone into production, expansion of the capacity planned with one additional manufacturing site, during the year, the Company expects 20% volume growth this year.

With all the Capex planned in place, total installed capacities of Plastic Piping division shall reach to about 7,50,000 MT per annum by 31<sup>st</sup> March, 2024 as against existing installed capacities of 6,00,000 MT per annum as on 31<sup>st</sup> March, 2023.

## 4.2 CONSUMER PRODUCTS

### 4.2.1 FURNITURE

The Company's furniture business grew by 11% in value terms against estimated growth of 3% for plastic furniture industry during 2022-23 over previous year. The Company could grow more than the industry due to intensive marketing effort, consistent business policies, increase in coverage of uncovered markets and strong brand position as a premium brand.

The overall growth in plastic furniture has been low due to improvement in life style and living standards of consumers who prefer to buy wooden and other material furniture. However, the Company has grown due to its wide range of innovative products and strong brand presence in premium segment. The Company enjoys the position of being a market leader in Premium Plastic Furniture Category. The Company has been a pioneer in upgrading the perception of plastic furniture by introducing highly innovative premium range. The Company keeps a regular tab on the evolving preferences of customers and continues to offer stylish & innovative plastic furniture in line with the latest trends.

In line with the latest trends, the Company introduced a knock down DIY chair model Vecto which is a first of its kind for Indian market. Its stylish contours, shape and ease to assemble will usher in a new revolution in the industry.

The year started with the highest rates seen of PP which had a cascading effect of substantial increase in furniture prices adversely affecting the demand and operating margin. However, the Company took various measures to keep costs under control and pursued consistent marketing efforts in all major markets which helped in overall growth for the Company and maintain the operating margin.

The Company's focus on creating large retail display showroom for plastic furniture was extremely successful. During the year, the Company started 99 such showrooms across India and plan to add another 97 such showrooms in current year, in order to improve display of Company's

furniture range at various retail outlets. The Company conducted display contests which were extremely successful in motivating the retailers to display our unique products prominently. This helped in increasing the sales from their retail outlets.

The Company started focusing on various market segments such as Government business and received good response. The Company started participation in Government business through GEM directly as well as through various channel partners which helped in overall business growth.

The year 2023-24 has started on a positive note with stable PP prices at lower end which will spur the growth in demand. The Company has planned for adding many new furniture models during 2023-24 to ensure it grows ahead of industry growth. The Company continues to focus on improving its sales of value added items, blow moulded tables and cabinets which will help in long term growth for the division and improve its operating margin. The sales of cabinets grew well during the year and the Company expects this segment to be the growth driver for future business.

The Company manufactures furniture at 7 different locations across India in order to service its customers efficiently. These units are located at Derabassi (Punjab) Gadegaon (Maharashtra), Jadcherla (Telangana), Pondicherry (UT), Durgapur (West Bengal), Kharagpur (West Bengal), Guwahati (Assam).

The Company manufactures furniture made with all three different technologies i.e. Injection Moulding, Blow Moulding & Roto Moulding. The Company has been manufacturing Injection Moulded Furniture for 33 years and Blow Moulded Furniture for almost 7 years. The Company started manufacturing Roto Moulded Furniture in 2021 but could not establish its product range due to various factors. The Company has now taken necessary measures to establish smooth manufacture of Roto Moulded Furniture and plan to grow in this segment.

During the year, the Company's sales of Blow Moulded Tables grew well and helped in overall growth of furniture division's business. The Company received a bulk order for supply of Blow Moulded Tables against a state education project which helped in increasing its volume business during the year. The Company plans to further increase its product range and has already committed for Two new models which are expected to be launched by beginning of second quarter. The Company hopes that the acceptance of the product category and its awareness will result in consistent growth.

The Company introduced Twelve New models during the year of various furniture items comprising of chairs, tables, cupboards & baby furniture. Some of the new models have been well received and hope to give good growth in the coming year. The Company has already committed investment for various new models planned for 23-24 and expect to launch in phased manner all through the year. These new models will help substantially in overall growth and market penetration in the coming year.

The Company is committed to make available its furniture across India and is aggressively working towards increasing its retail penetration. The Company currently has 14961 retailers selling its furniture who are serviced through our network of 1440 channel partners. The Company plans to add 1250 retail outlets during the year. The Company has

received good response of its intensified marketing efforts in some of its weak markets which has helped in increasing its presence in those markets.

The Company started its online store [www.supremefurniture.co.in](http://www.supremefurniture.co.in) to showcase its complete range and offer the convenience to its end customers for ordering some of the premium furniture models from the comforts of their home. The Company expects the store to help in increasing the awareness of its complete product range among its customers and increase the sales at retail level for the complete range manufactured by Company. The Company's furniture range is also available on various e-commerce portals such as Amazon & Flipkart through a few dedicated channel partners as well as various resellers.

The Company's export business declined drastically due to steep increase in sea freights. The sea freights have now come down to affordable level and the Company expects growth in its export business during 2023-24.

### 4.3. INDUSTRIAL PRODUCTS

#### 4.3.1 INDUSTRIAL COMPONENTS

FY23 was the first full year significantly free of Pandemic effect after two critical years, FY21 and FY22 under health emergency shadow. Previous year, the first quarter of FY22 was affected due to Pandemic second wave and a mild third wave during last quarter; however, there was reasonable bullish trend throughout year due to pent up demand across economy, achieving YOY revenue growth of 24% over FY21, for the division. The same trend continued during FY23 also. Some of the customers of the Company continued facing problem of shortages of Electronic and Imported parts affecting their production during initial part of the year. However, availability of these parts has eased out to a considerable extent during FY23 and it is hoped that the worst is over on this front now. Challenges like volatile commodity prices, availability of Logistics/ships, depreciation of Rupee etc affected customers heavily putting them under pressure of uneven production and huge manufacturing costs thereby stretching its suppliers to reduce prices or give discounts. Although these challenges are expected to be there during FY24 also, the turn-around in the economy would take care of such challenges.

In Automotive sector, Passenger Vehicle segment did exceptionally well and Commercial Vehicle segment also was on bullish trend. This has significantly given boost to the revenue of the Company. However, Two Wheeler segment continued to remain under demand pressure. In Appliances sector, Air Conditioners showed a healthy growth while overall demand in Washer Segment remained subdued. However, your Company engaged very closely with OEMs to rationalize the product mix share, which is expected to work favorably in the years to come. Other segments of Appliances like Refrigerators, Coolers, Water Purifiers etc. where Company has its presence are in steady growth mode.

The Division, started the year with a theme 'Establishing Transformational Strategies'. Under this theme, several initiatives were taken to put the Division on a respectable growth path of CAGR of 15%-18% with adequate returns on investment. Some of the initiatives taken are Organizing business based on Geographically Regional SBUs, Manufacturing complete products for customers in Appliances sector, Asset light Structure, Focus on acquiring Value Add business by improving Engineering Capability,

Acquiring business to fill the specific Capacity-Gaps arising due to seasonality, Offering our customers RM Re-Engineering solutions for VA/VE, Focused Automation, Developing business in the sectors where Company has no presence, Digital Manufacturing solutions, Human Capital Development for Multitasking, Lean Manufacturing initiatives, Adding new customers having high growth potential in future etc. While some of the initiatives were already taken during the year, some are in progress. The initiatives taken have already started yielding positive results and Company will accelerate these further in the coming years. The Company acquired a prestigious order from ECIL for manufacturing EVM and VVPAT related parts and sub-assemblies. All these factors resulted in to Revenue growth of nearly 30% YOY over the preceding year. With this, the Company achieved the Revenue Growth at CAGR of well over 20% over the last 3 years for this Business Division.

Company's Strategy to develop well-diversified Sector Portfolio resulted into getting orders from a Telecom sector Company. Couple of other sectors where Company is not having presence will be addressed to get orders during the current year and the efforts to diversify will be accelerated.

On Operational front, the Company accelerated its efforts to improve Productivity, Quality, Energy Conservation, Focused Cost reduction Projects, Talent development Initiatives etc. These initiatives, to a significant extent, are ensuring to keep the costs in check in the scenario of soaring inflation. It is also helping the Company to retain its margins and still pass on certain cost benefits to its valued customers.

Looking at the positive demand scenario in various sectors of Appliances, Automotive and few other Sectors, Company is investing judiciously for Capacity balancing and expansions. The geo-political uncertainties, high Inflation affecting purchasing power of the people, impending recession in Western Economies etc. are some the factors which may play spoil sport to some extent. However, Company feels that business scenario will remain bullish in medium to long term due to business friendly policies by the Government, including PLI Schemes launched for various sectors like, Automotive, Consumer Appliances, Electronics, and Telecom etc. New machines being planned are with the latest technologies, Energy efficient and Robust, designed for Excellence, Quality and Repeatability. Company is also planning to gradually keep investing in Automation to improve productivity.

Company continues to enjoy overall Excellent Rating from its customers year after year. The Company is considered as one of the most Reliable Supplier in its area of expertise by the Customers. Division is continuously striving to excel in all Operational Parameters and the habit is being inculcated among all its employees. It helps Company to remain cost efficient in this fiercely competitive Supply Chain to OEM customers. With no Pricing Power in hand and built in vagaries of OE Business, Company is doing reasonably well in this Business Division.

#### 4.3.2 MATERIAL HANDLING PRODUCTS

The year 2022-23 began with a brighter outlook, shedding off gloom and negativity of COVID period even when Russia and Ukraine conflict was continuing. Coupled with inflation and supply chain woes, somewhat subdued the sentiments prevailed around the world. The effects of high inflation and economic stagnation were more pronounced in technology companies but other sector also treaded cautiously. The

Indian economic context was somehow less affected and your Company's material handling products division stood grounds with an impressive double-digit growth both in volume and value terms.

The Automobile, whitegoods, Engineering, FMCG companies enjoying relatively better domestic demands over previous two years led your division to put a growth of 6% in volume and 13% in value terms in Industrial Injection moulded Crates and Bins which cater primarily to these industries. Company is confident of this growth momentum for the coming year also as we are regularly strengthening our customer reach and introducing suitable new products in this segment of Business.

Company's regular pitch, to reach new users of Inj. moulded Pallets, educating them about the features and benefits of the same, providing value enhancing solutions for safe, effective economic material storage and transit has given positive and encouraging results registering a volume growth of 16% and revenue growth of 28%. Company is constantly gauging the changing pattern in storage and warehousing as all major companies are employing efficient Automated storage and Retrieval system in storage warehouses. Company has introduced new pallets fitting these Automated warehousing applications and is confident of even better result in current year.

The Roto moulded pallets however have taken a beating mostly owing to fluctuating Raw material prices. Quality of Company's Roto pallets is well appreciated by our patrons and Company is confident of good results in this segment over the years.

The one-time use pallets, which are mainly required for exports of the goods, have been consistently doing well, Company is regularly engaging with its customers and keen on introducing newer cost effective and efficient one-time use pallets for diverse use. Company plans to introduce two new models in this category during the current year.

The consumption of dairy products is increasing in country with sizable jump in production too. The dairy specific crates of Company have registered a growth of around 11% in volume and 16% in value terms. Division is enhancing its reach with in the frame work of quality and envisage better results during the year.

With inflation increasing during the year putting retail and E-commerce companies to tread cautiously. The major players patronizing our retail and E-commerce specific crates restricted their volume purchases to very urgent needs only and scaling up of operations and distribution centers opening was minimal during the year which resulted in huge drop in volume and value terms in this segment across the specific product lines.

Your Company introduced new dustbin models, which received encouraging response by customers especially at northern and eastern part of the country. The Company has been able to register an impressive growth of 19% in volume and 25% in revenue. Company is planning to gear up marketing efforts to triple the business volumes of dustbins during the current year.

The cyclic purchases of soft drink and beverages majors in country paid dividend to your Company this year. Company enjoys a healthy business relationship with most big players in this sector and seeing good business opportunities. Keeping in mind the changes in beverages Industry Company

shall introduce new crate models, which are expected to roll out around June-July this year.

During the year under review, inflationary pressure were more pronounced in fruit and vegetables, food items, fish and meat products, leading to subdued activities in these sectors. The results were also apparent in flat growth of Company's F & V and fisheries specific crates. Company has a strong presence and distribution network along the eastern and southern costal belts for its' fisheries crates business but is relatively weak along the western coastal areas. Efforts are being made to establish a workable distribution channel network in western coasts. Company is hopeful of finding suitable channel partners in these areas in current year.

The Company is constantly striving to provide unmatched product quality, timely service and value proposition to all its customers which ultimately helps in adding new and retaining regular customers. The division has been successful in adding new customers and enlarging the customer base which shall continue in current year as well.

#### 4.3.3. COMPOSITE LPG CYLINDER

The year under review was the most successful year for Composite Cylinder division with plant running at 90% of its capacity and fulfilled its supply commitments. The Company managed to supply full demand of M/s. Indian Oil Corporation Limited (IOCL) during the year as well as continued exports to its valued customers. Against the original Letter of intent of supply of 735186 cylinders to IOCL, balance quantity now remaining is 263486 cylinders. Company expects further orders from IOCL during the year. Discussion with other OMCs are also continuing as they are exploring to introduce composite Cylinders in their portfolio. Further discussions are also taking place with private bottlers and expected to yield positive results.

Expansion of existing capacity has been successfully completed and increased capacity of 1 million cylinders per annum is now in place. Company is expanding its geographical reach and adding new customers. Division had added more countries and customers for supply of products during the year under review and received encouraging response. This would help to optimally utilise the increased capacity.

IOCL has started promoting Composite cylinders on social media platforms and has also permitted the Company to use its promotional material among its market network of associates through social media platform which would help the division to promote Composite Cylinders and make the people aware of its various advantages.

The Company is participating in various national and international exhibitions showcasing its capability to produce world class Composite cylinders. Company is also exploring opportunities to develop other composite vessels. Overall prospects for the division looks encouraging.

#### 4.4. PACKAGING PRODUCTS

##### 4.4.1 Performance Films Division (PFD)

The Performance Films Division has recorded 6% growth in Volume and about 23% growth in Value.

The Total sale achieved was 10069 MT as against 9514 MT in the last year.

On the positive front, changes in Product mix and focus on Direct sales to Brands and value added Products resulted in growth. Major contributors were High Barrier EVOH/Nylon

films to Flexible Packaging Industry which was supported by increasing demand from food industry focusing on increased shelf life and recyclability. Oil & Dairy industry reflecting growth of 6% in Volume. Sales to Nepal reduced due to Additional Duty on Export to that country. Persistent efforts in New Industrial /Food application helped the company in creating value added products to its portfolio. Sales of Bag/ Pouch has increased. Division has registered Trade mark for Total 7 Products.

Exports have shown similar volume as last year. 2753 MT against 2806 MT in the preceding year. The Company's product has received Positive response from Middle East, Africa and some European countries. Further Exploring opportunities in USA to export. Company will also participate in exhibitions in foreign countries.

The Company remains optimistic about the business prospects for this division in the current year. The customer base will not only be sustained but will grow due to Company's quality commitment and service.

The Company expects to achieve volume and value growth in this business in the current year due to increase in customer base in India and abroad.

#### 4.4.2 PROTECTIVE PACKAGING DIVISION

##### Over all Business Growth

Turnover was 11% higher in value terms and 5% higher in volume terms in FY 2022-23. Margins were impacted adversely due to steep reduction in raw material prices.

##### PROTEC (Packaging)

PROTEC vertical grew by 4% in value terms during the year under review over previous year. Fabrication business grew by 11% in value. A total of 14 new distributors were added during the year.

##### CIVIL

CIVIL business grew by 18% in value with a volume growth of 21% over the previous year.

##### INSULATION

INSULATION business grew by 38% in value over the previous year.

Increase in additional XLPE capacity at Hosur unit will help in further growth of this vertical in 2023-24.

##### Consumer Products | Retail Business Vertical

Consumer Product Division has achieved sale ₹ 15 Crs for FY2022-23 as against ₹ 11 Crs for FY2021-22 achieving a growth of 40%. This vertical added 41 new Distributors, and 599 new retailers. Company's total Retailer strength now stands at 6107.

##### EXPORTS

The division achieved an export sale of ₹ 29 Crs with a modest growth of 9%. The Company is expanding its reach in more markets. This should result in further growth of exports and the division is geared up to meet the increasing demand.

The Company has enhanced its' focus on new markets including Europe. Business has started in countries like Germany & Denmark. There is a renewed focus on other gulf countries like Saudi Arabia, Kuwait, and Bahrain etc. Business has already started in Saudi Arabia.

The Company has received DCL accreditation UAE ) for its' INSU range of products which will help in getting its'

products specified for new projects. To expedite this process, the Company has appointed Eros Group, a large trading entity, for building materials in Dubai as it's authorized distributor for UAE market. They would be selling our products under Company's brand.

##### **MANUFACTURING ACTIVITIES**

##### Power & Fuel:

The Company has achieved significant saving on account of green power, both solar & wind energy during FY 2022-23

##### **New Product Development | INNOVATION | TECHNOLOGY**

##### **New Product Development:**

The Company has developed a new variant of Capcell (Single Stage EVA Foam) product for (Photovoltaic Cell ) Packaging, input material specification matched as per USA customer requirement. The Company's product has been approved & first supplies shall be done in April/May 23. The Company expects a substantial business from this customer.

Two new products have been developed for German customer for printing machine application. This is a special product having very high bounce back and low compression set value.

The Company has developed an acoustic EPE foam ( inhouse technology ) for it's new vertical in Acoustics under the brand name of RESIMER.

The Company has added a new product for floor protection under the brand name of SUPREME FLOOR GUARD.

##### **Technology / Innovation –**

Unique in-house technology and hardware were developed to produce EVA based Cricket bat and ball.

A new press 2mtr x 2 mtr has been installed at Hosur plant to substantially increase productivity of certain products, to reduce manufacturing cost for those grades

The production capacity of the new XLPE plant at Hosur installed with modified hardware and heating control mechanism, has increased by 300 kg/day from 2100 kgs/day, and fuel consumption has reduced up to 10%.

Heat sealing and cutting press designed in-house by our Engineering Division team installed at Urse Unit II to produce Acoustic products for one of our customers in the automobile industry.

##### **Certifications**

DCL certification received for our INSU range of products (for UAE markets)

Registration with CPCB (Central Pollution Control Board) done under plastic waste management guidelines by ministry of Environment, Forest and Climate change (Government of India)

#### 4.4.3 CROSS LAMINATED FILM

The Business of Cross Laminated Film & Products had a de-growth of 5.24% in volume terms during the year under review.

The sale of made up fabricated products has increased from 334 MT in previous year to 654 MT during the year under review. The family of fabricated products is growing with many new products being perfected and introduced. These products are garnering lot of interest from end customers. The company is expanding its user base by selling these products directly to ultimate consumers. The company expects to add many such direct customers during the



coming year. The company also plans to sell these products through online marketing places. Capacity of fabricated product is being increased regularly by installing new fabrication equipment keeping it in tune with the growing demand as well as new product development. The thrust is on automation of the various processes of fabrication. Apart from perfection and enhanced productivity, it will reduce cost & dependency on manual activities. Company plans to sell made up product volume of 1500 MT during current year.

The Company has successfully introduced Gazzetted bags during the year which has opened up new business opportunities in the bag segment.

Exports grew by 11.70% over the previous year despite challenging Global conditions posed by Russia Ukraine war. At present company has presence in 32 countries across the globe. The aim is to bring in more countries into its fold in the coming year. Over the years the company has developed many fabricated products for new applications in the export market & will continue to do so in the coming years also. The company expects to achieve substantial growth in exports in the coming year.

The long wait for Cross Plastic Film Project is finally over. The company has placed orders for equipment's to manufacture Cross Plastic Film. The Company may commence commercial production with a capacity of 2500 tons per year in Jan/March 2024 quarter.

## 5. FINANCE

### 1. A brief on borrowing levels and finance cost is given below :-

#### 1.1 Summary

Particulars	Measure	F.Y. 2022-23	F.Y. 2021-22
Net borrowing level at the end of the year	₹ in crores	Surplus of 737.68	Surplus of 517.71
Average Monthly Borrowings	₹ in crores	Surplus of 525.21	Surplus of 308.52
Interest & finance charges	₹ in crores	8.02	5.15
Financial cost as a % of Turnover		0.09%	0.07%
Interest Cover	No. of Times	150	241
Total Net Debt : Equity Ratio		NIL	NIL

The above parameters reflect continued strong financial position of the Company with comfortable Net Worth, Nil debt, Excellent key financial ratios, Adequate liquidity in hand & generation of healthy cash reserves year on year.

1.2 During the year under review the Company remained debt free. The Company's Capex and its working capital requirements have been entirely funded through internal accruals. The excess cash accruals during the year have been judiciously deployed from time to time in safe and secure Investment avenues with the objective of generating optimal returns, while maintaining the assurance of liquidity at short notice. Due to overall increase in interest rates, the Returns on surplus investments have sharply improved over the previous year.

### 2. Working Capital Borrowing

2.1 During the year under review, the Company was privileged to be associated with 9 reputed (Private and Foreign) banks in its Multiple Banking Arrangement (MBA), to meet its working capital requirements at optimum cost. The banks have sanctioned on fully unsecured basis, aggregate working capital facilities of ₹ 1,570.90 crores (fund / non fund based facilities) which have been utilised optimally during the year. The Company's established track record, strong market position in each segment it operates, healthy profitability, robust financial ratios, absence of any long-term debt and availability of surplus liquidity, have enabled the Bankers to extend favourable terms to the Company. The Company is thankful to all its bankers for the confidence reposed by them on the Company & its Management for providing continuous support all the while.

2.2 The Company continues to enjoy favourable terms with its vendors / customers for effectively managing its working capital requirements at optimum cost. The Company continue to focus on timely collections & also planning procurement optimally to mitigate fluctuations in raw materials prices and for minimising the logistic costs.

2.3 The Company intends to use its surplus cash to continue to grow organically, while being open to explore the opportunities to grow inorganically through rightful acquisitions.

#### 2.4. Working capital utilisation

During the year under review, the raw material prices continued to slide down steeply right from the beginning of the year. The prices of different polymers, particularly for PP, LDPE and PVC resin went down between ₹ 41 per kg to ₹ 66 per kg since the beginning of the year till November 2022 representing a steep reduction between 28% to 46%. Severest fall among them was in PVC Resin, which is the main item of Raw material for the Company. After a moderate recovery between December 2022 to February 2023, prices again moved downwards till the end of March 2023. Similar trend was also witnessed in other items of Raw Materials. This has resulted in the Company incurring significant inventory loss during the major part of the year. Despite the overall low prices of polymers during the year, the Company's working capital requirements remained only moderately lower, owing to overall higher inventory levels.

2.5 During the year under review, the Rupee also remained extremely volatile with a depreciating bias against US Dollar, mainly due to on-going geopolitical tensions and the hawkish policy of FED, in increasing the US interest rates throughout the year. The Rupee witnessed depreciation of more than 10% during the course of the year. However due to its prudent and consistent hedging policy the Company has largely mitigated the risk arising out of Foreign Currency fluctuations and optimised its hedging costs.

### 3. Dealers' Financing

The Dealers' Finance Scheme (DFS) provided by the bank to its Channel Partners is getting very popular among them. Year after year more & more Channel partners are joining the DFS, in view of affordable rates of interest, unsecured nature of the facilities & other related services / privileges offered by the bank. Seasonal / peak business requirements are also being serviced by the bank, by providing temporary incremental limits. The credit limits of the Channel Partners are also being increased/enhanced considering their business growth in tandem with the growth of the Company. These

Normal/Additional/enhanced working capital requirements have become helpful to them in meeting the full potential in their businesses.

#### 4. CRISIL Rating

As per the latest review conducted in the last quarter, (a) the Rating for the Company's Short term bank facilities were reaffirmed at "CRISIL A1+" rating by CRISIL (which is the highest rating for the Short term instruments) and (b) Rating for Long Term Bank facilities were maintained at "CRISIL AA+ Stable". The ratings continue to reflect the Company's strong business risk profile, healthy market position across segments, and robust financial risk profile. CRISIL Ratings expects Supreme to continue to register robust revenue growth, mainly driven by healthy volumes from end-user demand across agriculture and real estate sectors along with improved operating margins leading to strong annual cash generation. Financial risk profile is also robust, supported by strong capital structure with high net worth, healthy cash position and strong debt protection metrics.

#### 5. Capital Expenditure

During the year under review the Company has incurred capital expenditure (capex) of ₹ 541 crores entirely funded from internal accruals. Company plans to spend about ₹ 750 Crores towards capex during F.Y.2023-24 including carry forward commitment of previous year of ₹ 149 Crores. Details of the various capital expenditure plans have been elaborated by each business division in earlier part of Management Discussion and Analysis (MDA). Company will continue to fund all its Capex requirements from internal accruals.

6. In the short to medium term the Company expects strong revenue growth, better operating margins, healthy liquidity surpluses, prudent funding of its capital expenditure through achievement of operational efficiency, increasing contribution of value added products & continued focus on efficient working capital management.

The Company's focus shall remain in, i) adopting various cost austerity measures (ii) close monitoring of its working capital & (iii) better treasury management by investing in high rated & secured investments resulting in safe & quality returns.

#### 7. Changes in Key Financial Ratios:

Pursuant to the provisions of Regulation 34(3) of SEBI (LODR) Regulation, 2015 r/w. Schedule V, Part B(1), details of changes in Key Financial Ratios are given as hereunder :

Sr. No.	Ratio		Year Ended	
			31.3.2023	31.3.2022
1	Debtors Turnover Ratio	Times	19.20	18.14
2	Inventory Turnover	Times	4.99	5.30
3	Interest Coverage Ratio	Times	149.62	241.20
4	Current Ratio	Times	2.53	2.47
5	Debt Equity Ratio	Times	NIL	NIL
6	Operating Profit Margin	%	12.93%	15.84%
7	Net Profit Margin	%	8.23%	10.36%
8	Return on Net Worth	%	21.14%	25.95%
9	Return on average capital employed	%	27.47%	33.55%

## 6 INTERNAL CONTROL SYSTEM

The company has adequate, proper and well placed Internal Financial Control System, which ensures that all the assets are safeguarded and all the transactions are authorized, recorded and reported correctly in a timely manner.

The Internal Finance Control System comprises due compliances with company's policies and Standard Operating Procedures (SOP's) and audit and compliance by different Internal Auditors independently. Internal Auditors comprising of professional firms of Chartered Accountants have been entrusted to conduct regular internal audits and report to the Management, the lapses, if any. Both Internal Auditors and Statutory Auditors independently evaluate the adequacy of Internal Control System. Based on the Audit observations and suggestions, follow-up, remedial measures are being taken including review and increase in the scope of coverage, if necessary.

Independence of the Audit and Compliances is ensured by direct reporting of Internal Auditors to the Audit Committee of the Board. The Audit Committee of Directors in its periodical meetings, review the adequacy of Internal Financial Control System and procedures and suggest areas of improvement.

To ensure effective Internal Financial Control, the company has laid down the following measures.

- All operations are executed through Standard Operating Procedures (SOPs) in all functional activities for which key manuals have been put in place. The manuals are updated and validated as and when required.
- Approval of majority of transactions is ensured through a pre-approved Delegation of Authority (DOA) and the key processes are under schedule integration with SAP system. DOA is reviewed periodically by the management and compliance of DOA is regularly checked and monitored by the auditors.
- System based reports and automated accounting for various areas in financial statements have contributed to better accuracy and reducing scope of errors.
- The company has a comprehensive risk management framework which is evaluated by the Audit Committee & Risk Committee periodically.
- Functional heads are responsible to ensure regulatory compliances and also with the policies and procedures laid down by Management. and
- The Company has devised Risk Assessment and Control Matrix for all key processes involved in financial reporting and are being tested for design and operating effectiveness.

## 7. KEY RISKS & MITIGATION STRATEGY

The company's business is subject to risks and uncertainties that could have both short term and long term implications on the company. The company is exposed to different risks arising from economic, regulatory, environmental, competitive scenario and others.

To mitigate these risks and ensure consistent business growth and success, the company continuously scans the external and internal environment, to identify risks, track them and devise effective remedies to mitigate them. The company also continues to take measures, to further strengthen its risk management mechanism and remains stay ahead to mitigate the probable adverse impact. Risk Management Committee set up by the Board is responsible for ensuring the effectiveness of company's risk management

framework. The risks are identified based on their likelihood and severity of impact and accordingly mitigation measures and monitoring process is designed.

### Macro-Economic Risks

The global geopolitical development, such as the Russia-Ukraine war has posed new challenges like high inflation, supply chain bottlenecks and lower growth. The direct risks posed by the pandemic have however substantially reduced. Though the cases of infections due to new omicron variant of corona virus are on a decreasing trend still one has to remain vigilant and take adequate precautions in the endemic period of Covid. The lingering uncertainty due to monetary policy tightening, high commodity prices, inflation – (both the wholesale and retail) continue to rise in India and globally and hawkish policy of the US government shall impact all regions including India. Any adverse impact of the above in the Indian economy may lead to slower growth and weak demand of the products in industrial sectors and consequently affects the performance of the company.

### Mitigation Strategy

The Indian economy has proven to be remarkably resilient in the face of the deteriorating global situation due to the strong macroeconomic fundamentals that place it well ahead of other emerging market economies. Plastic consumption per capita which is very low in the country is expected to grow higher than GDP growth.

The company is having diversified product portfolio and has setup 28 manufacturing facilities across the country. Company is continuously expanding its product portfolio and geographical spread by putting new manufacturing facilities across the country. Company's strategic plan and initiatives for the medium term are aligned to the goal to diversify revenue mix across product divisions and geographical locations in India.

The Company remains conservative with strong financial capital structure, healthy cash reserves, prudent capex investment policies and well managed uses of working capital.

### Process & Technology Risk

With the rising competitive intensity, the Company needs to drive more automation, efficiency and innovations led by updating of technology. Inability to evolve its product line and modernize may lead to its product becoming obsolete and/or uneconomical and may see market erosion.

### Mitigation Strategy

The company is (i) Continuously adding many unique and innovative products to cater to the various application requirements of the consumer, (ii) Seeking technical assistance or making technology tie up with renowned players in the globe, so as to offer technologically advance and superior products, (iii) Creating in house capability of designing and development and (iv) remains focused on continuous cost optimization without compromising quality and service parameters.

### Risk of availability/ procurement of key raw materials

Principal raw materials for company's products is various plastic polymers, which are primarily derivatives of crude oil. Company sources its raw material requirements from domestic/ overseas suppliers. Volatility in crude oil prices, currency fluctuations of Rupee vis-à-vis prominent world currencies, coupled with demand/supply mismatch in the world market, affect the effective price and availability of polymers for the company. Inability of the company to obtain critical raw materials at competitive prices, could impact its operational continuity and profitability.

### Mitigation Strategy

The company effectively manages its raw material requirements as well as price volatility through (i) Widening its sourcing base (ii) Appropriate contracts & commitments for key raw materials to ensure smooth supply. (iii) Monitoring external environment and evaluating alternate availability for uninterrupted supplies. (iv) Developing local alternatives and (v) Well planned procurement and inventory strategy.

### Talent Management - Human Resources Risk

The company recognizes human capital as its key assets. Developing, retaining and recruiting key talent is key to achieve Company's growth plans and aspirations. Institutionalizing a framework as an ongoing process to identify succession gaps, loss of expertise and retained knowledge of the organization, continuity of critical roles, loss of time and efforts to recruit and train the employees are critical areas. Any gap in these efforts could impact the performance of the Company.

### Mitigation Strategy

Defining and implementing structured interventions has been initiated as an approach to minimize such risks that could impact the performance of the Company. Company has on boarded senior managerial personnel as Chief Human Resource Officer to oversee and take required effective steps.

The company is taking various steps to mitigate the risk in the Talent management space. A structured talent management process was put in place for select job levels / roles with a 2 pronged approach of identifying critical roles & assessing potential talent to develop the leadership pipeline as per the succession planning framework. Critical roles and job levels were identified and development interventions were designed on the basis of 3 vital inputs viz. training need analysis, competency framework and the future skills needs and behaviours linked to the business strategy and role. External benchmarking on learning and partnerships were factored in for content design & delivery. All the programs have been designed keeping in mind the 60:40 principle wherein 60% of learning would be to bridge the current gaps and 40% of learning to develop skills linked to future needs. The learning approach implemented will be practise with focus on application of learnings in work and life. Development road maps to build & strengthen the leadership pipeline have been initiated through a 70: 20:10 principle and a blended approach consisting of interventions with a mix of classroom sessions, Peer Cohort coaching, individual coaching, action learning projects and digital contents for self-learning.

A shift in the learning approach was implemented by moving from a time defined module based approach to longitudinal learning journeys focusing on both role & functional skill building. In addition, each learning intervention have been designed to ensure a continuous engagement in terms of Pre-work & post work, check-Ins and webinars

### Foreign Exchange Risk

The company operates internationally and portion of the business is transacted in several currencies and consequently the company is exposed to foreign exchange risk through purchases from overseas supplies and sales & services overseas in foreign currencies. Exports are significantly lower in comparison to its imports. The foreign exchange transactions exposure could hinder the sourcing of raw materials and it could adversely affect company's financial performance.

### Mitigation Strategy

Bulk of the Company's foreign exchange risk (arising out of import of Raw materials) is very short-term (less than 3 months) in nature at any given point of time. The company has adopted prudent and consistent hedging policy guided by the Board, by entering into simple forward contracts, at optimized hedging costs for mitigating the said risk. Company is able to partially balance the exposure risk by way of export of goods. Further company is not exposed to any long term/ short term foreign currency loans, thereby minimizing exchange fluctuation risk.

### Cyber Security Risk

We live in a world that is connected and inter connected. This world of ours is now dealing with and generating huge quantities of data every day. Securing this data, maintaining data integrity and assuring data privacy is important to keep our modern society functioning. Cybersecurity is a concern for everyone today, from organisations to individuals. Organizations focus on physical and information security, due to regulatory requirements, the value of data in the current times and the risks of a security compromise.

Digital attacks on systems, networks and programs, aimed at accessing, changing, or destroying sensitive information; extorting money from organizations; or interrupting normal business processes are cyber-attacks. The company also faces risk of leakage/ misuse of confidential information resulting in financial losses and disruption to business operations due to failure of IT infrastructure and inability to ramp up security measures and protect data.

### Mitigation Strategy

Cyber security aims at making the internet safer and reliable for everyone. Cyber security consists of technologies, processes and controls, designed to protect systems, networks, programs, devices and data from cyber-attacks. Effective cyber security reduces the risk of cyber-attacks and protects against the unauthorised exploitation of systems, networks and technologies. A successful cybersecurity approach has multiple layers of protection spread across the computers, networks, programs, or data that one intends to keep safe. It involves people, processes and technology working in tandem to deal with both attempted and successful cyber-attacks.

The Company has its well-defined policy to protect the infrastructure and secure its information. The policy clearly stands to safeguard all information in the interest of the Company. The Company has a robust security mechanism designed to defend and protect its infrastructure from external threats or vulnerabilities. All applications, critical end points and servers have their backup scheduled automatically at regular intervals on to The Company Appliance. Company's Network is secured with "Enterprise Edition Next Generation Firewall" installed at its primary/production data centre as well as secondary/DR data centres. The Company uses robust endpoint protection EDR system and user's access to data or appliance or Infrastructure, is controlled as per Industry Best Practices. Central Database has high availability; Disaster recovery is in place for ERP infrastructure with regular DR drills. Keeping in mind the ever expanding cyber threat landscape,

Company has implemented a robust and real-time monitoring solution. This includes state of the art technology, a multivendor environment from top Technology and Security partners. Projects on AI ML based Security Operations Centre (SoC) are in progress while Network Operations Centre (NoC) is already functional. Email ATP (Advanced Threat Protection) solution has been implemented for better email security. External Audit from CERT-IN Certified Audit Firm has also been conducted thereby

ensuring Company's systems are protected from external threats. Company is continuously looking at newer ways of securing its data, network and all related infrastructure.

### Risk of competition with Counterfeit/ spurious products

Counterfeit and spurious products are global problems of enormous scale, impacting almost majority of sectors, causing significant losses and disruption in business particularly for leaders in the industry. They also lead to loss of sales and consumer confidence in the brand. In few segments of the company, the prevalence of spurious/ counterfeit products, are on rising scale. Induction of counterfeit products by some unscrupulous players in a large way, in few segments of the company, causes disruptions to the growth of the company's products.

### Mitigation Strategy

The Company continues to create awareness and is educating the users not to be cheated by lookalike products which also compromise on the quality to a great extent. Company is also getting its proprietary designs, trade-marks etc. patented to the extent feasible and is in a process to create distinctive identifiable marks on packages for ease of trade and consumers to distinguish from counterfeit/look alike products. Company is also working aggressively in co-ordination with legal advisors and local authorities across States to identify and target such spurious and counterfeit products manufacturers to desist from such activities.

### Environment & Climate Change Risk

Climate change is the biggest business challenge in coming years in view of the unprecedented scale of the extreme weather event such as heat waves, floods, cyclone and considerable increase in mother earth's temperature continuously due to exploitation of natural resources.

Due to change in the regulatory requirements, owing to climate change there is likely hood of business disruptions, adverse impacts on operations and consumer demand.

### Mitigation Strategy

In line with ESG approach and strategy, the Company has identified key areas in respect of emission & energy and water conservation. Company has taken various initiative to improve in energy efficiency, increase usage of renewable energy, Reduction of Green House Gas emission, zero waste & efficient use of water sources.

Installation of roof top solar power at different locations PAN India to increase green energy usage, conservation of water at several plants through Rainwater Harvesting, installation of Piezometer and Ultrasonic flow meter for water monitoring quantities are areas of continuous focus.

Gas substitution from LPG to CNG to reduce carbon emission and usage of lead free stabilizer in many piping products are other initiatives to support the environment.

Geographical presence of the company through its manufacturing plant spread across the country also results in reduced transportation and thereby reduction of emission of carbon and other hazardous gases in the environment.

### Risk of ban on usage of Plastic Products

Several States across India are banning Single Use Plastic and the onus of collecting and disposing plastic waste generated by their usage has been put on Manufacturing Companies.

### Mitigation Strategy

Plastic is wonder material of twenty first century and is being used for substituting various conventional material which are drain on natural resources. However, due to haphazardly littering

habits, Plastic has got a bad name. Resultantly Central & State governments are banning/ restricting Single Use Plastic products and putting various regulatory measures to control and monitor the uses of plastic in general.

The Company is not manufacturing any Single Use Plastic products as such which are banned by the governments. However, some of the films used in packaging applications may fall in regulatory compliances.

As per plastics waste management guidelines, the Company is required to register with Central Pollution Control Board (CPCB) as a producer, brand owner & importer.

The Company has uploaded all the necessary documents on the portal & EPR targets assigned by CPCB have been fulfilled for the year under review as a producer. Company is complying with all the statutory requirements as recommended by CPCB.

#### Reputational Risk

A threat to the positive perception of stakeholders/ general public about the company, its products, services or Management may cause adverse consequences like Loss of customers, Loss of talent, Loss of revenue, Bad will on behalf of public, Additional scrutiny on behalf of Government and/or regulatory agencies and loss of brand value etc.

#### Mitigation Strategy

The company is (i) Actively addressing product complaints and ensuring product delivery as promised. (ii) Strengthening corporate governance norms, adherence to the code of conduct, for one and all, the employees. (iii) Sign off for all product/warranty promised to customers. (iv) Identifying other relevant reputational attributes through brainstorming with various stakeholders and (v) Standardisation of policies and procedures to reduce/eliminate the likelihood of any such event.

#### Fire, Safety & Health Risk

The Company has a wide spread operational presence of its manufacturing units across the country. The manufacturing process in these units for plastic products does require usage of certain inflammable material which are prone to risk of fire and safety hazard.

More over since company's manufacturing process requires uses of polymers, additives and chemicals, employees are also required to manage the plant & machinery and material handling equipment's all of which has exposure and risk on safety and health aspects. Further disposal of hazardous waste also poses certain challenges which need to be managed in a meticulous manner.

#### Mitigation Strategy

As a part of risk mitigation strategy, the Company has formulated a robust framework to ensure seamless operations of its manufacturing Units across the country. Checks and balances through an ongoing review and audit process has been put in place to identify and act proactively on any gaps / omissions. Various initiatives and actionable have been undertaken & implemented as stated below:

- i. Company has installed fire hydrant system at all its manufacturing locations along with other apparatus like sprinkler system where required, extinguishers filled with chemical foam etc.
- ii. First aid training given to safety personal, engaging professional risk assessing advisors to conduct periodic audit, review & suggest improvement measures.

- iii. Safety Committees are formed at each location who conducts regular fire safety drills and train the employees for emergency evacuation plan etc.
- iv. Appropriate illumination at shop floor, earmarked storage areas with safety measures, installation of safety guards & switches, open passages for people and material movements, fencing of high risk zones etc. has been implemented across all Units.
- v. Company has implemented occupational health and safety management system at all its locations providing personal protective equipment, installation of CCTV camera to enhance security and surveillance, well defined & well at Safety & Health related SOP. It conducts regular Safety Audits and training programmes.
- vi. Company is also taking appropriate insurance coverage to mitigate any financial impact due to any adverse impact of any of above risks.
- vii. The company is following a robust waste management procedure in line with latest requirement of pollution control board & ISO system. Hazardous waste is being disposed of through authorized vendors.
- viii. The company is having agreement with authorized agencies at all locations for recycling, reusing or safe disposal of hazardous plastic waste.

## 8. HUMAN RESOURCES

The Company as per its Human Resource strategy focuses on inclusive, collaborative and growth oriented culture built over the years. Company's workforce has grown from strength to strength over the last five decades. From its early days, Company remained an equal opportunity employer and has embedded these values in its employee life cycle management from hiring, retaining to retirement. The Company complies with all applicable fair employment practices and equal opportunity laws in every state where it operates. Company strictly prohibits discrimination against any employee or applicant based on language, race, color, religion, sex, origin, ethnicity, age, disability, marital status, sexual orientation, gender identity, or any other category protected by law.

The Company provides a work environment that fosters collaboration, lateral thinking and innovative ideation for employees to create value. Company firmly believes that people are its greatest assets and it is always endeavours to ensure their development and growth. Company's strategy supports promoting diversity in its workforce while ensuring each employee feels empowered at work. It has robust human resource framework and processes which support the smooth functioning of workforce and wellbeing of all the employees.

Linkage between personal goals and organizational goals is considered a vital aspect for the shared growth of employees and the organization. Annual appraisals are made to ensure such an alignment. Company's reward strategy is strongly driven by performance linked pay approach to drive a culture of meritocracy.

Company is committed to equip its employees with the required skills and know-how to be future ready. Its training programs are based on inputs from the training needs identified linked to a cadre based approach which enables targeted training to the role across job levels. The learning interventions are designed on various job skills along with the desired competencies broadly

classifying into skill upgradation, leadership development and compliance.

Making employees feel safe and secure is an important aspect of ensuring employee satisfaction and productivity. As part of “Employee Wellness” strategy, Company provides Group Medical Insurance and Group Personal Accident Insurance. Company also provides Annual Health Check-up.

At Supreme we strongly believe in the fundamental of human rights. Company remains fully committed to uphold the highest standards on human rights protection by adopting a proactive approach. Company strictly prohibit child labour, forced labour and discrimination of any kind based on gender, caste, creed, religion, disability, marital status, pregnancy, culture, etc. Company periodically conducts training and awareness programme for employees to sensitize them on matters linked to

protection of human rights. This enables the Company to uphold its values on the protection of human rights in letter and spirit.

Industrial relations at all the units and locations are cordial.

#### **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis describing the Company’s objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that would influence the Company’s operations include cost of raw materials, tax laws, power cost and economic developments and such other factors within the country and the international economic and financial developments.

## Corporate Governance

The Directors present the Company's Report on Corporate Governance for the year ended 31<sup>st</sup> March, 2023.

### 1. PHILOSOPHY OF COMPANY ON CORPORATE GOVERNANCE

Good Governance ensures adoption of best business practices, and accountability of the person's in-charge of the Company's operations. Your Directors are committed to good Governance practices and the Company has been sharing all important information about its various business segments and operations of the Company through Quarterly Results, Press release, Chairman's Statement, Annual Reports, Investors' meet with Management, TV interview of Managing/Executive Directors and Telephonic Con calls with Investors by the Management. Further as required by the Listing Agreement, Report on Corporate Governance is given below.

### 2. GOVERNANCE STRUCTURE

The Company's Governance Structure comprises a dual layer, the Board of Directors and the Committees of the Board at the apex level and the Management Team at an operational level. The Board lays down the overall Corporate Objectives and provides direction and independence to the Management Team to achieve these objectives within a given framework. This professional management process results in building a conducive environment for sustainable business operations and value creation for all stakeholders.

The Board of Directors and the Committees of the Board play a fundamental role in upholding and furthering the principals of good governance which translates into ethical business practices, transparency and accountability in the Company's dealing with its stakeholders and in the utilization of resources for creating sustainable growth to the benefit of all the stakeholders. The Board within the framework of law discharges its fiduciary duties of safeguarding the interests of the Company. The Boards composition and size is robust and enables it to deal competently with emerging business development issue and exercise independent judgment.

Committee of Directors assists the Board of Directors in discharging its duties and responsibilities. The Board has constituted the following Committees viz. Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Risk Management Committee which are mandatory Committees. The Business Responsibility and Sustainability Committee is also constituted which is a non-mandatory Committee.

The Management Structure for the day-to-day business operations and management of the Company is in place with appropriate delegation of powers and responsibilities.

### 3. CORPORATE GOVERNANCE PRACTICE

The Company maintains the highest standard of Corporate Governance; it is the Company's constant endeavour to adopt the best Corporate Governance Practice.

### 4. ROLE OF COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board and Committees procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision making at the Meetings. The Company Secretary is primarily responsible for assisting and advising the Board in conducting the affairs of the Company, to ensure the compliances with applicable statutory requirements, to provide guidance to Directors and to facilitate convening of Meetings. The Company Secretary interfaces between the Management and regulatory authority for governance matters.

### 5. BOARD OF DIRECTORS

The Company has a broad-based Board of Directors, constituted in compliance with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 "Listing Regulations" and is in accordance with best practices in Corporate Governance.

As on 31<sup>st</sup> March, 2023, the Board comprised of 8 Directors viz Managing Director, Two Executive Directors and Five Non-Executive Directors out of which four Directors are Independent Directors. The Chairman of the Company / Board is a Non-Executive Director.

#### a) Composition and Categories of Board of Directors:

Name of the Directors	Category	No. of outside Directorship*		No. of Committees Chairpersonship / Membership held including Supreme	
		Public	Private	Chairperson	Members
Shri B L Taparia	Promoter / Non-Executive Chairman	2	1	–	–
Shri M P Taparia	Promoter / Managing Director	2	1	1	1
Shri S J Taparia	Promoter / Executive Director	2	1	–	2
Shri V K Taparia	Promoter / Executive Director	1	1	–	–
Shri R. Kannan	Independent / Non-Executive Director	1	–	1	3
Shri Rajeev M. Pandia	Independent / Non-Executive Director	5	–	4	6
Shri Sarthak Behuria	Independent / Non-Executive Director	2	–	–	2
Ms. Ameeta Parpia	Independent / Non-Executive Director	5	–	4	10

Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Limited Companies have been considered.

\*Directorship in public and private companies includes Section 8 Companies.

**b) Attendance of Directors at the Board Meetings held during 2022-2023 and the last Annual General Meeting held on 29<sup>th</sup> June, 2022.**

During the Financial Year 2022-2023 the Board met on five occasions virtually/physical Meeting i.e. on 29<sup>th</sup> April, 2022, 29<sup>th</sup> June, 2022, 25<sup>th</sup> July 2022, 31<sup>st</sup> October, 2022 and 24<sup>th</sup> January, 2023. The gap between any two meetings is not more than 120 days.

Name of the Directors	Category	Meetings held during the tenure of the Directors	Meetings Attended	Attendance at the last AGM
Shri B L Taparia	Promoter / Non-Executive Chairman	5	5	Yes
Shri M. P. Taparia	Promoter / Managing Director	5	4	Yes
Shri S. J. Taparia	Promoter / Executive Director	5	5	Yes
Shri V. K. Taparia	Promoter / Executive Director	5	5	Yes
Shri R Kannan	Independent / Non-Executive Director	5	5	Yes
Shri Rajeev M. Pandia	Independent / Non-Executive Director	5	5	Yes
Shri Sarthak Behuria	Independent / Non-Executive Director	5	5	Yes
Ms. Ameeta Parpia	Independent / Non-Executive Director	5	5	Yes

**c) Details of Directorship in other Listed Entities and category of Directorship**

Name of the Directors	Name of other Listed Entities	Category of Directorship
Shri B L Taparia	Supreme Petrochem Limited	Non-Executive - Non Independent Director
Shri M. P. Taparia	Supreme Petrochem Limited	Non-Executive - Non Independent Director, Chairperson
Shri S. J. Taparia	Supreme Petrochem Limited	Non-Executive - Non Independent Director
Shri V. K. Taparia	NIL	NA
Shri R Kannan	Supreme Petrochem Limited	Non-Executive - Independent Director
Shri Rajeev M. Pandia	GRP Limited	Non-Executive - Independent Director
	Excel Industries Limited	Non-Executive - Independent Director
	Thirumalai Chemicals Limited	Non-Executive - Independent Director
	Ultramarine & Pigments Limited	Non-Executive - Independent Director
Shri Sarthak Behuria	Supreme Petrochem Limited	Non-Executive - Independent Director
	BLS International Services Limited	Non-Executive - Independent Director
Ms. Ameeta Parpia	Supreme Petrochem Limited	Non-Executive - Independent Director
	Prism Johnson Limited	Non-Executive - Independent Director
	Hathway cable and Datacom Limited	Non-Executive - Independent Director

**6. RELATIONSHIP BETWEEN DIRECTORS**

Out of 8 Directors 4 Directors are related Directors viz : Shri B. L. Taparia, Non-Executive Chairman, Shri M. P. Taparia, Managing Director, Shri S. J. Taparia, Executive Director and Shri V. K. Taparia, Executive Director. None of the other Directors are related with each other.

**7. EQUITY SHAREHOLDING OF THE NON-EXECUTIVE DIRECTORS IN THE COMPANY AS ON 31<sup>ST</sup> MARCH, 2023:**

Sr. No.	Name of the Non-Executive Director	No. of Shares
1)	Shri B. L. Taparia	317398
2)	Shri R Kannan	7410
3)	Shri Rajeev M. Pandia	Nil
4)	Shri Sarthak Behuria	Nil
5)	Ms Ameeta Parpia	3000



## 8. THE DETAILS OF FAMILIARISATION PROGRAMMES IMPARTED TO INDEPENDENT DIRECTORS

### Brief Terms of reference:

An Appropriate induction programme for new Directors and ongoing familiarization with respect to the Business / working of the Company for all Directors is a major contributor for meaningful Board Level deliberations and sound business decisions.

The Company has adopted a structured programme for orientation of Independent Directors at the time of their joining so as to familiarize them with the Company's operations, business, industry and environment in which it functions and the regulatory environment applicable to it. The Company updates the Board Members on a continuing basis on any significant changes therein and provides them an insight to their expected roles and the responsibilities so as to be in a position to take well-informed and timely decisions and contribute significantly to the Company.

The Company through its Managing Director / Executive Directors / Senior Management Personnel makes presentations regularly to the Board, Audit Committee, Risk Management Committee or such other Committees, as may be required, covering, inter alia, business environmental, business strategies, operations review, quarterly and annual results, budgets, review of Internal Audit Report and Action Taken, statutory compliance, risk management, etc.

The details of familiarization programmes held for the Independent Directors is provided on the Company's website.

## 9. MATRIX/TABLE CONTAINING SKILLS, EXPERTISE AND COMPETENCIES OF THE BOARD OF DIRECTORS:

The Board Members are from diversified areas having the required knowledge. Competency, skills, and experience to effectively discharge their responsibilities. The range of experience of the Board Members includes in the areas of Plastics, Petrochemicals, Banking & Finance and Legal. The Company has identified and broadly categorised its Core Skills, Expertise and Competencies as mentioned hereunder: Matrix/Table of Core Skills, Expertise and Competencies of Board of Directors as Whole;

Particulars	Detailed List of Core Skills, Expertise and Competencies	Name of Directors who have Skills, Expertise and Competence							
		Shri B.L. Taparia	Shri M.P. Taparia	Shri S.J. Taparia	Shri V.K. Taparia	Shri R Kannan	Shri R M Pandia	Shri Sarthak Behuria	Ms. Ameeta Parpia
Core Skills	Strategic policy formulation and advising	✓	✓	✓	✓		✓	✓	
	Regulatory framework knowledge	✓	✓	✓	✓			✓	✓
	Financial performance	✓	✓	✓	✓	✓	✓	✓	
	Advising on Risk mitigation and Compliance requirements	✓	✓	✓	✓	✓	✓		✓
Expertise	Knowledge of Petrochemicals	✓	✓	✓	✓	✓	✓	✓	
	Commercial acumen	✓	✓	✓	✓	✓	✓	✓	
	Able to guide in building the right environment for Human Assets Development	✓	✓	✓	✓		✓	✓	✓
Competencies	Strategic Leadership	✓	✓	✓	✓		✓	✓	
	Execution of policies framed by the Board	✓	✓	✓	✓			✓	✓
	Identifying the growth areas for expanding the business in India and outside India	✓	✓	✓	✓	✓	✓	✓	
	Advising on Business Risks & environment	✓	✓	✓	✓	✓	✓	✓	

## 10. CONFIRMATION OF BOARD REGARDING INDEPENDENT DIRECTORS

Board of Directors confirms that the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and are Independent of the Management.

## 11. INDEPENDENT DIRECTORS MEETING:

In Compliance with the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors Meeting of the Company was held on 24<sup>th</sup> January, 2023. Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

Shri Rajeev M Pandia is the Chairman of Independent Directors Meeting.

### Attendance of Independent Directors in Independent Directors Meeting:

Directors	Meetings held during Year	Meetings Attended
Shri Rajeev M. Pandia	1	1
Shri R. Kannan	1	1
Shri Sarthak Behuria	1	1
Ms. Ameeta Parpia	1	1

## 12. AUDIT COMMITTEE:

The Company has an independent Audit Committee. The composition, procedure, Role / Function of the committee complies with the requirements of the Companies Act, 2013 as well as those of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The brief terms of reference of the Audit Committee includes the following:

- Overseeing the Company's financial report process and the disclosure of its financial information's.
- To review quarterly, half yearly and Annual Financial results before submission to the Board.
- To review the statement of significant related party transactions submitted by management.
- To review the adequacy of internal control systems with the management, external & internal auditors.
- Discussion with external auditors about the nature and scope of audit including their observation.
- To investigate into any matter referred to by the Board.

During the financial year 2022-23, Audit Committee meetings were held on 29<sup>th</sup> April, 2022, 20<sup>th</sup> May, 2022, 25<sup>th</sup> July, 2022, 5<sup>th</sup> September, 2022, 31<sup>st</sup> October, 2022, 28<sup>th</sup> November, 2022, 24<sup>th</sup> January, 2023 and 17<sup>th</sup> February, 2023.

### Composition and Attendance of Members at the Meetings of the Audit Committee held during 2022-2023:

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Shri Rajeev M. Pandia (Chairman)	Independent / Non-Executive Director	8	8
Ms. Ameeta Parpia	Independent / Non-Executive Director	8	8
Shri R Kannan	Independent / Non-Executive Director	8	8

## 13. NOMINATION AND REMUNERATION COMMITTEE

### (i) Brief Terms of reference:

- To formulate a criteria for determining qualifications, positive attributes and Independence of a Director.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of every Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To devise a policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

During the financial year 2022-23 Nomination and Remuneration Committee meetings were held on 28<sup>th</sup> April, 2022, 30<sup>th</sup> August, 2022, 14<sup>th</sup> November, 2022 and 24<sup>th</sup> January, 2023.

### (ii) Composition

Members	Category	Meetings held	Meetings attended
Shri Sarthak Behuria (Chairman)	Independent / Non-Executive Director	4	4
Shri Rajeev M. Pandia	Independent / Non-Executive Director	4	4
Ms. Ameeta Parpia	Independent / Non-Executive Director	4	4

### (iii) Performance evaluation criteria for Independent Directors:

How well prepared and well informed the Independent Directors are for the Board Meeting.

- Is the attendance of Independent Directors at meetings satisfactory?
- Does Independent Director demonstrate a willingness to devote time and efforts learning about the Company and its Business?
- What has been the quality and value of their contributions at Board Meeting?
- What has been their contribution to development of strategy and to risk management?
- How effectively have they followed up matters about which they have expressed concern?
- How good are their relationship with other Board members, the Company Secretary, and Senior Management?

- Are they up-to-date with the latest developments in areas such as corporate governance framework and financial reporting and in the industry and market conditions?
- How well do they communicate with other Board Members, Senior Management and others?
- Do the Independent Directors participate in events outside Board meeting such as site visits?
- Does their performance and behaviour promote mutual trust and respect within the Board?

**(iv) Nomination and Remuneration Policy:**

In accordance with Section 178 of the Act, the Committee has framed a Nomination and Remuneration Policy and the same is set out as Annexure IV (A) to the Board Report.

The details relating to the remuneration of Directors is as under:

**(v) Remuneration Paid/Provided to Directors during 2022-2023**

(₹ in Crores)

Sr No.	Names	Category	Sitting Fees	Salary & Perquisites	Commission	Total
1	Shri B L Taparia	Promoter / Non-Executive Chairman	0.05		0.15	0.20
2	Shri M P Taparia	Promoter / Managing Director	-	4.64	10.55	15.19
3	Shri S J Taparia	Promoter / Executive Director	-	4.52	10.55	15.07
4	Shri V K Taparia	Promoter / Executive Director	-	4.51	10.55	15.06
5	Shri R Kannan	Independent / Non-Executive Director	0.15		0.15	0.30
6	Shri Rajeev M. Pandia	Independent / Non-Executive Director	0.16		0.15	0.31
7	Shri Sarthak Behuria	Independent / Non-Executive Director	0.09		0.15	0.24
8	Ms. Ameeta Parpia	Independent / Non-Executive Director	0.15		0.15	0.30
	<b>Total</b>		<b>0.60</b>	<b>13.67</b>	<b>32.40</b>	<b>46.67</b>

## 14. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has constituted Stakeholders Relationship Committee of the Board of Directors to look into the transmission of Equity Shares /issuance of duplicate Equity Share certificates, complaints received from the Shareholders of the Company and other allied connected matters.

During the financial year 2022-23 Stakeholders Relationship Committee meetings were held on 20<sup>th</sup> May, 2022, 22<sup>nd</sup> July, 2022, 5<sup>th</sup> September, 2022, 28<sup>th</sup> November, 2022, 23<sup>rd</sup> January, 2023 and 23<sup>rd</sup> March, 2023.

**a) Composition:**

Members	Category	Meetings held	Meetings attended
Shri Rajeev M Pandia (Chairman)	Independent / Non-Executive Director	6	6
Shri R Kannan	Independent / Non-Executive Director	6	6
Ms. Ameeta Parpia	Independent / Non-Executive Director	6	6

**b) Compliance Officer:**

Shri R. J. Saboo VP (Corporate Affairs) & Company Secretary is the Compliance Officer for complying with requirements of Companies Act, Securities laws and listing Agreements with Stock Exchanges.

- c) During the year, the company received 37 complaints / correspondence from Shareholders regarding non-receipt of Share Certificates / issuance of Duplicate Share Certificates / Dividend Warrants etc. and all have been resolved.

## 15. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee is constituted pursuant to section 135 of the Companies Act 2013. The Corporate Social Responsibility Committee of the Board consists of the following Directors as Members.

During the financial year 2022-23 Corporate Social Responsibility Committee meeting was held on 28<sup>th</sup> April, 2022.

Name	Meetings held	Meetings attended
Shri R. Kannan – Chairman	1	1
Shri B. L. Taparia	1	1
Shri M. P. Taparia	1	0

**Terms of reference:**

- Formulate and recommend to the Board, a CSR Policy.
- Recommend to the Board CSR activities to be undertaken by the Company.
- Monitor the CSR Policy of the Company from time to time and ensure its Compliance.

Submit to the Board half-yearly / yearly report giving status of the CSR activities undertaken, expenditure incurred and such other details as may be required by it.

## 16. RISK MANAGEMENT COMMITTEE

The Board of Directors of the Company constituted a Risk Management Committee of the Board comprising Shri M. P. Taparia, Managing Director, Shri Rajeev M. Pandia, Independent Director, Shri R. Kannan, Independent Director, Shri Sarthak Behuria, Independent Director and Shri P. C. Somani, CFO. The Chairman of the Committee is Shri M. P. Taparia.

During the financial year 2022-23 Risk Management Committee meetings were held on 17<sup>th</sup> June, 2022 and 12<sup>th</sup> December, 2022.

Members	Category	Meetings held	Meetings attended
Shri M. P. Taparia – Chairman	Promoter / Managing Director	2	2
Shri Rajeev M. Pandia	Independent / Non-Executive Director	2	2
Shri R. Kannan	Independent / Non-Executive Director	2	2
Shri Sarthak Behuria	Independent / Non-Executive Director	2	2
Shri P. C. Somani	Chief Financial Officer	2	2

## 17. BUSINESS RESPONSIBILITY AND SUSTAINABILITY COMMITTEE

The Board of Directors of the Company constituted a Business Responsibility and Sustainability Committee of the Board comprising Shri M.P. Taparia, Managing Director, Shri P.C. Somani, Chief Financial Officer, Shri R.J. Saboo, VP (Corporate Affairs) & Company Secretary, and Shri Vasudev Sharma, GM (Energy and Environment) to assess the various initiatives forming part of the BRSR performance of the Company, on a periodic basis.

During the financial year 2022-23 Business Responsibility and Sustainability Committee was held on 28<sup>th</sup> April, 2022

Members	Category	Meetings held	Meetings attended
Shri M. P. Taparia – Chairman	Promoter / Managing Director	1	1
Shri P.C. Somani	Member	1	1
Shri R.J. Saboo	Member	1	1
Shri Vasudev Sharma*	Member	NA	NA

\* Shri Vasudev Sharma inducted as member of the Committee w.e.f. 29.04.2022

## 18. GENERAL BODY MEETINGS

### (i) Location and time of last Three AGM's held:

Year	Location	Date	Time
2020-78 <sup>th</sup> AGM	Through Video Conference (VC) / Other Audio Visual Means (OAVM) from Corporate Office at 1161 & 1162 Solitaire Corporate Park, 167 Guru Hargovindji Marg, Andheri-Ghatkopar Link Road, Chakala, Andheri (East), Mumbai-400093.	17 <sup>th</sup> September, 2020	4.00 p.m.
2021-79 <sup>th</sup> AGM	Through Video Conference (VC) / Other Audio Visual Means (OAVM) from Corporate Office at 1161 & 1162 Solitaire Corporate Park, 167 Guru Hargovindji Marg, Andheri-Ghatkopar Link Road, Chakala, Andheri (East), Mumbai-400093.	29 <sup>th</sup> June, 2021	4.00 p.m.
2022- 80 <sup>th</sup> AGM	Through Video Conference (VC) / Other Audio Visual Means (OAVM) from Corporate Office at 1161 & 1162 Solitaire Corporate Park, 167 Guru Hargovindji Marg, Andheri-Ghatkopar Link Road, Chakala, Andheri (East), Mumbai-400093.	29 <sup>th</sup> June, 2022	4.00 p.m.

### (ii) Special Resolutions passed in previous Three Annual General Meetings.

Year	Date	Time	Special Resolutions passed
2021-22	29 <sup>th</sup> June 2022	4.00 pm	To approve continuation of holding of office by Shri Ramanathan Kannan (DIN: 00380328) as an Independent Director up to the expiry of his present term of office i.e up to 15 <sup>th</sup> September, 2025
2020-21	29 <sup>th</sup> June, 2021	4.00 pm	Nil
2019-20	17 <sup>th</sup> September, 2020	4.00 pm	<ul style="list-style-type: none"> <li>Re-appointment of Shri Ramanathan Kannan (DIN: 00380328) as an Independent Director of the Company for a period of five years from 16<sup>th</sup> September, 2020 to 15<sup>th</sup> September, 2025.</li> <li>Re-appointment of Shri Rajeev M Pandia (DIN: 00021730) as an Independent Director of the Company for a period of five years from 16<sup>th</sup> September, 2020 to 15<sup>th</sup> September, 2025.</li> </ul>

### (iii) Details of Special Resolution Passed by Postal Ballot during FY 2022-23 through Postal Ballot

During the year 2022-23 no business was conducted through postal ballot.

### 19. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES:

In compliance with the SEBI Regulations on prevention of Insider trading, the Company has adopted a code of conduct for its Directors and designated employees. The code lays down guidelines which included procedures to be followed and disclosures to be made while dealing with the shares of the Company.

### 20. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management discussion and analysis forms a part of the Annual report and is annexed separately.

### 21. DISCLOSURE REGARDING APPOINTMENTS / RE-APPOINTMENTS OF DIRECTOR:

#### Appointments / Re appointment of Directors.

Shri V.K.Taparia, Executive Director (DIN: 00112567) of the Company, retires by rotation at the forthcoming Annual General Meeting in accordance with provisions of the Companies Act, 2013 and the Articles of Association of the Company and being eligible, offers himself for re-appointment.

Shri Sarthak Behuria, Independent Director, (DIN: 03290288), is proposed for re-appointment as an Independent Director of the Company for a period of five years from 7<sup>th</sup> May, 2024 to 6<sup>th</sup> May, 2029. He holds office as an Independent Director of the Company upto the close of business hours on 6<sup>th</sup> May 2024 in the present first term.

Ms. Ameeta Parpia, Independent Director, (DIN: 02654277), is proposed for re-appointment as an Independent Director of the Company for a period of five years from 7<sup>th</sup> May, 2024 to 6<sup>th</sup> May, 2029. She holds office as an Independent Director of the Company upto the close of business hours on 6<sup>th</sup> May 2024 in the present first term.

Shri Vipul Shah, (DIN: 00174680), is proposed for appointment as an Independent Director of the Company for a period of five years from 28<sup>th</sup> April, 2023 to 27<sup>th</sup> April, 2028.

Shri Pulak Prasad (DIN: 00003557), is proposed for appointment as a Non-Executive and Non – Independent Director, liable to retire by rotation of the Company w.e.f. 28<sup>th</sup> April, 2023.

Shri M. P. Taparia, Managing Director, (DIN No: 00112461) is proposed for re-appointment as Managing Director for a period from 7<sup>th</sup> January, 2024 to 30<sup>th</sup> September, 2027.

Shri S.J. Taparia, Executive Director, (DIN No: 00112513) is proposed for re-appointment as Executive Director for a period from 7<sup>th</sup> January, 2024 to 30<sup>th</sup> September, 2027.

Shri V.K. Taparia, Executive Director, (DIN No: 00112567) is proposed for re-appointment as Executive Director for a period from 7<sup>th</sup> January, 2024 to 30<sup>th</sup> September, 2027.

### 22. MEANS OF COMMUNICATION:

(i) The Quarterly results of the company are published in newspapers as per Listing requirements. The results are also displayed on the BSE, NSE & Company's website: <https://www.supreme.co.in/investor>.

#### (ii) Official News Releases:-

Official News releases and media releases are sent to the Stock Exchanges.

The Ministry of Corporate Affairs ("Ministry"), Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance by the Companies and clarified that the service of documents by the Companies can be made through Electronic Mode. Accordingly, as a contribution towards green environment, your Company also implemented the Initiative to send documents, such as Notice calling the general meeting, audited financial statements, Board' report, auditors' report, etc. in electronic form on the email id's provided by the shareholders & made available by them to the company through the depositories.

#### (iii) Presentation made to Institutional Investor / Analysts:

Detailed presentation made to Institutional Investors and financial analysis's is available on the Company's website: <https://www.supreme.co.in/investor>.

### 23. GENERAL SHAREHOLDER INFORMATION

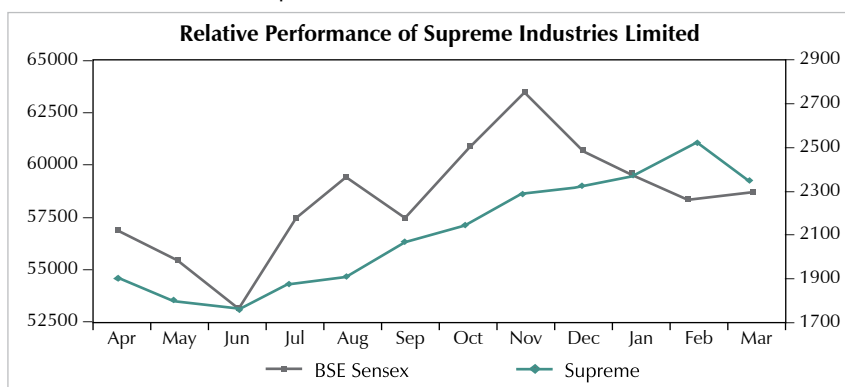
(i)	AGM (Date, Time and Venue)	:	Date : 28 <sup>th</sup> June, 2023 Time : 4.00 p.m. Venue : At Walchand Hirachand Hall, Indian Merchant's Chamber, Near Churchgate Station, 76, Veer Nariman Road, Mumbai - 400 020
(ii)	Financial Year	:	1 <sup>st</sup> April, 2022 to 31 <sup>st</sup> March, 2023
(iii)	Key Financial Reporting Dates F.Y. 2023-24		
	Unaudited Results for the First Quarter ended June 30, 2023	:	On or before 15 <sup>th</sup> August, 2023
	Unaudited Results for the Second Quarter ended September 30, 2023	:	On or before 15 <sup>th</sup> November, 2023
	Unaudited Results for the Third Quarter ended December 31, 2023	:	On or before 15 <sup>th</sup> February, 2024
	Audited Results for the F.Y. 2023-2024	:	On or before 31 <sup>st</sup> May, 2024

(iv)	Date of Book Closure	:	Thursday the 22 <sup>nd</sup> June, 2023 to Wednesday the 28 <sup>th</sup> June, 2023 (both days inclusive)
(v)	Registered Office	:	612, Raheja Chambers, Nariman Point, Mumbai 400 021.
(vi)	Listing on Stock Exchanges	:	(i) BSE Limited (ii) National Stock Exchange of India Ltd., (NSE)
(vii)	Listing Fees	:	Annual Listing Fees for the year upto 2023-24 have been paid to both the Stock Exchanges.
(viii)	Stock Codes	:	(i) BSE : 509930 (ii) NSE : SUPREMEIND
(ix)	Trading Group	:	(i) BSE : "A" Group, (ii) NSE : "Other Securities"

(x) Market Price Data: High / Low / Close During each month in the last Financial Year.

Month	BSE			NSE		
	High	Low	Close	High	Low	Close
April-2022	2218.10	1920.00	1949.75	2219.30	1918.25	1946.90
May-2022	2034.00	1696.25	1836.45	2049.90	1695.80	1837.10
June-2022	1902.60	1668.60	1766.50	1904.10	1666.25	1766.85
July-2022	1921.60	1753.25	1897.15	1932.00	1745.00	1897.10
August -2022	2021.00	1820.00	1963.15	2024.00	1820.00	1965.60
September-2022	2198.00	1941.45	2130.60	2199.20	1941.00	2133.40
October-2022	2188.85	1905.75	2171.30	2190.00	1906.50	2170.30
November-2022	2479.10	2061.55	2439.80	2480.00	2050.00	2435.20
December-2022	2605.00	2275.05	2450.20	2607.65	2278.60	2450.05
January-2023	2643.00	2335.20	2525.75	2645.00	2335.00	2528.85
February-2023	2816.45	2512.00	2759.65	2855.30	2503.00	2761.35
March-2023	2780.00	2430.50	2511.65	2783.90	2431.15	2513.55

(xi) Relative Performance of Supreme Share Price V/S. BSE Sensex :



(xii)	Registrar & Transfer Agent (For Physical & Demat Shares)	:	<b>M/s. Bigshare Services Private Limited</b> Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093. Tel 022- 62638200 Fax No- 022 -62638299 Weblink to raise queries: <a href="https://www.bigshareonline.com/InvestorLogin.aspx">https://www.bigshareonline.com/InvestorLogin.aspx</a>
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(xiii) Distribution of Shareholding (As on 31<sup>st</sup> March, 2023)

No. of Equity Shares held	No. of Shareholders	Percentage of Shareholders (%)	No. of Shares	Percentages of Shareholdings
Upto 500	77337	94.34	2759746	2.17
501 – 1000	1661	2.03	1326997	1.04
1001 – 2000	1215	1.48	1812791	1.43
2001 – 3000	497	0.61	1254992	0.99
3001 – 4000	233	0.28	823136	0.65
4001 – 5000	198	0.24	923996	0.73
5001 – 10000	372	0.45	2648426	2.08
Over 10001	462	0.57	115476786	90.91
<b>Total</b>	<b>81975</b>	<b>100</b>	<b>127026870</b>	<b>100</b>

(xiv)	Dematerialization of Shares	:	126084420 Shares are Dematerialized (as on 31.03.2023) 99.26% of total Shares viz 127026870 shares)
(xv)	Outstanding GDRs/ADRS/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity	:	The Company has not issued any GDRs/ADRS/Warrants or any convertible instruments in past and hence as on 31 <sup>st</sup> March, 2023, the Company does not have any outstanding GDRs/ADRS/ Warrants or any convertible instruments.
(xvi)	Foreign Exchange Risk & Hedging Activity		
	1. Long term liabilities		Long term liabilities by way of loans including ECB loans are fully hedged ab initio by way of a currency and interest rate swap.
	2. Trade exposure		2.1. Imports/ buyer's credit finance This exposure is hedged to the extent of at least 50% on a regular basis;
			2.2. Exports Since the quantum of exports is nominal in comparison to Company's imports/ buyer's credit exposure, the same is kept open.
	3. Derivatives		The Company follows a very conservative policy with regard to derivatives. The derivatives are used only to cover/ hedge the underlying liabilities in the nature of Long Term Loans.
	4. The foreign exchange policy is in line with the mandate received from the Board. The same is closely followed by Chief Financial Officer, under the overall supervision of the Managing Director and Executive Directors.		
(xvii)	Plant Locations	:	<ol style="list-style-type: none"> <li>1. Cuttack (Odisha)</li> <li>2. Derabassi (Punjab)</li> <li>3. Durgapur (West Bengal)</li> <li>4. Erode (Tamilnadu)</li> <li>5. Gadegaon (Maharashtra)</li> <li>6. Ghiloth (Rajasthan)</li> <li>7. Guwahati Unit I (Assam)</li> <li>8. Guwahati Unit II (Assam)</li> <li>9. Halol – Unit I (Gujarat)</li> <li>10. Halol – Unit II (Gujarat)</li> <li>11. Halol – Unit III (Gujarat)</li> <li>12. Halol – Unit IV (Gujarat)</li> <li>13. Hosur (Tamil Nadu)</li> <li>14. Jalgaon – Unit I (Maharashtra)</li> <li>15. Jalgaon – Unit II (Maharashtra)</li> <li>16. Jadcherla (Telangana)</li> <li>17. Kanhe (Maharashtra)</li> <li>18. Kanpur (Uttar Pradesh)</li> <li>19. Kharagpur (West Bengal)</li> <li>20. Khopoli (Maharashtra)</li> <li>21. Malanpur – Unit I (Madhya Pradesh)</li> <li>22. Malanpur – Unit II (Madhya Pradesh)</li> <li>23. Malanpur – Unit III (Madhya Pradesh)</li> <li>24. Noida (Uttar Pradesh)</li> <li>25. Puducherry (Union Territory)</li> <li>26. Silvassa (Union Territory)</li> <li>27. Sriperumbudur (Tamil Nadu)</li> <li>28. Urse (Maharashtra)</li> </ol>
(xviii)	Address for Investor Correspondence	:	<p><b>For shares held in Physical form:</b> M/s. Bigshare Services Private Limited Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093. Tel No. : 62638200 Fax No. : 62638299 Weblink to raise queries: <a href="https://www.bigshareonline.com/InvestorLogin.aspx">https://www.bigshareonline.com/InvestorLogin.aspx</a></p> <p><b>For Shares held in Demat form:</b> Investor's concerned Depository Participant's and / or M/s Bigshare Services Pvt Ltd.</p>

(xix)	Shareholders Assistance Investors Service Department	:	Shares Department The Supreme Industries Limited, Regd. Office: 612, Raheja Chambers, Nariman Point, Mumbai 400 021. Phone Nos. : 62570000, 62570025, E-mail : investor@supreme.co.in
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(xx) Credit Rating obtained for Bank Loan Facilities

<b>Total Bank Loan Facilities Rated</b>	₹ 1445.90 Crore
<b>Long – Term Rating</b>	CRISIL AA+/Stable - (Reaffirmed)
<b>Short – Term Rating</b>	CRISIL A1+ (Reaffirmed)
<b>₹ 200 Crores Commercial Paper</b>	CRISIL A1 + (Reaffirmed)

(xxi) Categories of Shareholders (As on 31<sup>st</sup> March, 2023)

Sr. No.	Category	No. of Shareholders	Voting%	Number of Shares held
1	Promoters	17	48.85	62053813
2	Resident Individuals (Others Incd. Indian Public)	79119	15.54	19751344
3	Corporate Bodies	522	1.25	1581539
4	Nationalised Banks and Mutual Funds	92	15.73	19982166
5	Foreign Portfolio Investors	215	18.10	22986809
6	Foreign Bank	1	0.00	500
7	NRIs	2009	0.53	670699
	<b>Total</b>	<b>81975</b>	<b>100</b>	<b>127026870</b>

## 24. DISCLOSURES:

### (i) Materially Significant Related Party Transactions:

There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large

### (ii) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years:

The Company has complied with the requirements of regulatory authorities on capital markets and no penalties / strictures have been imposed against it in the last three years.

### (iii) Vigil Mechanism Policy

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. The Company has adopted a Vigil Mechanism policy in order to provide a secure environment and to encourage employees of the Company to report unethical, unlawful or improper practice, acts or activities. The reportable matter may be disclosed to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

### (iv) Mandatory and Non-mandatory requirements:

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has fulfilled the following non-mandatory requirement as prescribed in Schedule II, PART E of Regulation 27(1) of (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- The Positions of Chairman and Managing Director are separate.

### (v) The Policy for determination of Material Subsidiary and Related Party Transactions is available on company's website: <https://www.supreme.co.in/investor>.

### (vi) Compliance Certificate from the V. Laxman and Company, Practising Company Secretary, confirming that None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such authority is attached as annexure to this Corporate Governance Report.

### (vii) During the Financial Year Board of Directors has accepted all recommendations of committees, which are mandatory by law.

### (viii) Statutory Audit fees of ₹ 42,50,000 has been paid by the Company to M/s Lodha & Company (FRN-301051E) for agreed services between the Company and M/s Lodha & Company.

### (ix) Disclosure regarding the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 given in Board Report. During the year no complaints reported / filed under this act.

### (x) Your Company has complied with all the requirements of Regulations 17 to 27 and clause (b) to (i) of sub-regulation 46 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.



(xi)	Additional Information Regarding the Company is also available on the Company's Website at	: <a href="http://www.supreme.co.in">http://www.supreme.co.in</a>
(xii)	CEO / CFO Certification	<p>: Shri M. P. Taparia, Managing Director and Shri P. C. Somani, CFO heading the finance function have certified to the Board that :</p> <p>(A) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:</p> <ol style="list-style-type: none"> <li>(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;</li> <li>(2) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.</li> </ol> <p>(B) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.</p> <p>(C) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the internal control systems of the company, pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.</p> <p>(D) They have indicated to the Auditors and the Audit Committee</p> <ol style="list-style-type: none"> <li>(1) significant changes in internal control over financial reporting during the year;</li> <li>(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and</li> <li>(3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.</li> </ol> <p>The above Certificate was placed before the Board Meeting held on 28<sup>th</sup> April, 2023.</p>

## CODE OF CONDUCT

The Board has adopted the Code of Conduct for Members of the Board and Senior Management Personnel of the Company. The Code lays down, in details, the standards of business conduct, ethics and governance. The compliance of the same has been affirmed and a declaration signed by the Managing Director to this effect is given below. Code of Conduct has also been posted on the Company's Website: <https://www.supreme.co.in/investor>.

### Declaration

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board members and Senior Management Personnel have affirmed compliance with The Supreme Industries Limited Code of Conduct for the year ended 31<sup>st</sup> March, 2023.

For **The Supreme Industries Limited**

**M. P. Taparia**  
Managing Director

Mumbai : 28<sup>th</sup> April, 2023  
Place: Mumbai

**CERTIFICATE**

Based on our verification of books, papers, forms and returns filed and other records maintained by The Supreme Industries Limited ("The Company"), and also the information provided by its officers, agents and authorized representatives during the conduct of secretarial audit of the Company, we hereby certify that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities Exchange Board of India, Ministry of Corporate Affairs or any such authority as on 31<sup>st</sup> March, 2023.

For and on behalf of  
**V. Laxman & Co.,**  
Company Secretaries

Date: 26<sup>th</sup> April, 2023  
Place: Mumbai  
UDIN: F00151E000192682

(V. Laxman)  
FCS No. 1513  
C P No. : 744

## Auditors' Certificate on Corporate Governance

### To the Members of The Supreme Industries Limited

This certificate contains details of compliance of conditions of corporate governance by THE SUPREME INDUSTRIES LIMITED ('the Company') for the year ended 31<sup>st</sup> March 2023, as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

#### Management's Responsibility for compliance with the conditions of Listing Regulations:

The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

#### Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), Standards on auditing specified under section 143(10) of the Companies Act, 2013 and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### Opinion

Based on the procedures performed by us and to the best of our information and according to explanations given to us and representation made by the Management, in our opinion, we certify that the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

#### Restriction on Use

The certificate is addressed to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **LODHA & COMPANY**  
Chartered Accountants  
Firm registration No. – 301051E

**A.M. Hariharan**  
Partner  
Membership No. 38323  
UDIN: 23038323BGYENZ1128

Place : Mumbai  
Date : 28<sup>th</sup> April, 2023

## Business Responsibility and Sustainability Report

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L35920MH1942PLC003554
2.	Name of the Listed Entity	The Supreme Industries Limited
3.	Year of incorporation	17-02-1942
4.	Registered office address	612, Raheja Chambers, Nariman Point, Mumbai-400021 Tele: 022-62570000, 62570025 Email: investor@supreme.co.in
5.	Corporate office address	1161 & 1162 Solitaire Corporate Park, 167, Guru Hargovindji Marg, Andheri Ghatkopar Link Road, Andheri (E), Mumbai 400 093 Tele: 022-4043 0000 Fax: 022-4043 0099 Website: <a href="http://www.supreme.co.in">http://www.supreme.co.in</a> Email: supreme@supreme.co.in
6.	E-mail	investor@supreme.co.in
7.	Telephone	022-62570000/25
8.	Website	<a href="http://www.supreme.co.in">www.supreme.co.in</a>
9.	Financial year for which reporting is being done	2022-2023
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	INR 25,40,53,740
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Shri R.J. Saboo, VP (Corporate Affairs) & Company Secretary Tel: 022-62570000, 62570025 Address: 612, Raheja Chambers, Nariman Point, Mumbai-400021
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	This report is being prepared on Standalone basis for Supreme only.

#### II. Products/services

##### 14. Details of business activities (accounting for 90% of the turnover):

S.No.	Description of Main Activity	Description of Business Activity	% Turnover of the entity
1	Manufacturing of Plastic Products	The Supreme Industries Limited manufactures a wide range of plastic products such as piping systems, moulded furniture, composite cylinders, storage and material handling crates, automotive components, cross laminated films, protective packaging, and more.	97.92%

##### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S.No.	Product/Service	NIC Code	% of total Turnover contributed
1	Plastic products	222	97.92%

#### III. Operations

##### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	28	19	47
International	0	1	1

##### 17. Markets served by the entity:

###### a. Number of locations

Locations	Number
National (No. of States)	28
International (No. of Countries)	54

Supreme Industries has a wide reach and serves customers across PAN India. In addition to its extensive domestic presence, Company's products are exported to 54 countries and efforts are being made to expand its reach to other countries and attract new customers. This broad customer base allows company to cater to diverse markets and meet the needs of customers both within India and across the world.

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

Exports sales of US \$ 29.27 Million was made during the year 2022-23. The contribution of exports as a percentage to total turnover is approx. 2.70%.

**c. A brief on types of customers**

The Supreme Industries Limited serves a wide range of customers across various sectors. Some of the key customer segments for the company include:

1. Construction Industry: The Supreme Industries caters to the construction industry by providing a range of construction and infrastructure-related products such as pipes, bathroom fittings, septic tanks, valves etc.
2. Packaging Industry: The company supplies packaging solutions to customers in industries such as FMCG (Fast-Moving Consumer Goods), pharmaceuticals, chemicals, and others. These solutions include packaging films, containers, crates, pallets, and other packaging materials.
3. Automotive Industry: The company serves the automotive sector by providing components and solutions for automobile interiors, such as dashboards, door panels, seat assemblies, and other automotive parts.
4. Furniture Industry: Supreme Industries is a prominent player in the furniture industry, offering a wide range of furniture products including chairs, tables, cabinets, and other household and office furniture items.
5. Consumer Goods Industry: The company also caters to the consumer goods industry by supplying products such as storage solutions, utility items, and home improvement products.
6. Agriculture and Irrigation Industry: Supreme Industries provides a range of products for the agriculture and irrigation sector, including pipes, fittings, and water storage tanks used for irrigation, water supply, and agricultural applications.

These are just a few examples of the customer segments served by The Supreme Industries Limited. The company's diverse product portfolio enables it to cater to a broad customer base across multiple industries.

**IV. Employees**

**18. Details as at the end of Financial Year:**

**a. Employees and workers (including differently abled):**

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	3409	3302	96.86%	107	3.14%
2.	Other than Permanent (E)	811	770	94.94%	41	5.06%
<b>3.</b>	<b>Total employees (D + E)</b>	<b>4220</b>	<b>4072</b>	<b>96.49%</b>	<b>148</b>	<b>3.51%</b>
<b>WORKERS</b>						
4.	Permanent (F)	1238	1236	99.84%	2	0.16%
5.	Other than Permanent (G)	11585	11064	95.50%	521	4.50%
<b>6.</b>	<b>Total workers (F + G)</b>	<b>12823</b>	<b>12300</b>	<b>95.92%</b>	<b>523</b>	<b>4.08%</b>

**b. Differently abled Employees and workers:**

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	4	4	100%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
<b>3.</b>	<b>Total differently abled employees (D + E)</b>	<b>4</b>	<b>4</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	4	4	100%	0	0%
5.	Other than Permanent (G)	0	0	0%	0	0%
<b>6.</b>	<b>Total differently abled workers (F + G)</b>	<b>4</b>	<b>4</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

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

	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	8	1	12.5%
Key Management Personnel	3	0	0%

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

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	11.80%	0.21%	12.01%	13.46%	0.51%	13.97%	10.21%	0.40%	10.61%
Permanent Workers	2.34%	0%	2.34%	3.56%	0%	3.56%	4.18%	0%	4.18%

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

**21. a. Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding /subsidiary /associate companies /joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Supreme Industries Overseas (FZE)	Subsidiary	100%	No
2	Supreme Petrochem Limited	Associate	30.78%	No

**VI. CSR Details**

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes  
(ii) Turnover (in ₹) - 92,83,35,39,000  
(iii) Net worth (in ₹) - 38,44,77,15,899

**VII. Transparency and Disclosures Compliances**

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks
Communities	Yes	0	0	No grievance received	0	0	No grievance received
Investors (other than shareholders)	Yes	0	0	No grievance received	0	0	No grievance received
Shareholders	Yes	37	0	Satisfactory redressal done for 100% grievance / complaints	21	0	Satisfactory redressal done for 100% grievance / complaints
Employees and workers	Yes	0	0	No grievance received. 100% pending complaints resolved for previous year.	4	3	Employee behaviour. These complaints are resolved in FY 2022-23
Customers	Yes	162	4	Regarding manufacturing, packaging, installation & quality. 100% pending complaints resolved for previous year.	739	6	Regarding manufacturing, packaging, installation & quality. These complaints are resolved in FY 2022-23
Value Chain Partners	Yes	0	0	No grievance received	0	0	No grievance received

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

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format

S. No.	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Strategy	Risk	<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>- Changes in climate-related regulations, policies, and carbon pricing mechanisms can impact the operations and profitability of a plastic products manufacturer.</li> <li>- Climate-related events such as extreme weather conditions, natural disasters, or disruptions in raw material availability can affect our supply chain.</li> <li>- Increasing public awareness and concern about climate change may result in reputational risks for companies that are perceived to have a negative environmental impact.</li> <li>- Climate-related risks can have financial implications for Supreme as a plastic products manufacturer, including increased costs of energy, raw materials, and compliance with environmental regulations.</li> <li>- As the global economy shifts towards a low-carbon future, plastic product manufacturers may face risks associated with the transition. This includes technological advancements, changing consumer preferences, and evolving regulations.</li> </ul>	<ul style="list-style-type: none"> <li>- We intend to conduct a climate risk assessment to identify and assess potential risks and opportunities.</li> <li>- We are implementing mitigation measures to reduce greenhouse gas emissions (engaging in long term renewable PPAs, installation of roof top solar plants etc) improve energy efficiency (by installing energy efficient injection moulding machines), and transition to more sustainable materials and processes.</li> <li>- Engaging with stakeholders, including customers, suppliers, and investors, to demonstrate commitment to climate action and sustainability.</li> <li>- Monitoring and reporting on climate performance, including setting targets and tracking progress towards emissions reductions and other climate-related goals.</li> <li>- Staying informed about evolving climate-related regulations and policies to ensure compliance and mitigate regulatory risks.</li> </ul>	<p><b>Negative:</b></p> <ul style="list-style-type: none"> <li>- Non-compliance with evolving environmental standards and regulations can lead to penalties, fines, or legal consequences.</li> <li>- This can lead to delays in production, increased costs, and potential loss of customers, impacting the revenue</li> <li>- Failure to address climate-related issues or implement sustainable practices can lead to reputational damage and loss of customer trust.</li> <li>- Changes in investor preferences and the availability of funding may impact access to capital or increase the cost of borrowing.</li> <li>- Stranded assets, reduced market share, and decreased competitiveness.</li> </ul>

S. No.	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	GHG & Air Emissions	Risk / Opportunity	<p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>- Many financial institutions and investors are increasingly interested in supporting companies with strong environmental performance.</li> <li>- Addressing GHG emissions and demonstrating a commitment to sustainability can improve stakeholder relations. Customers, employees, investors, and community members often value companies that take responsibility for their environmental impact.</li> <li>- Collaborating with suppliers, customers, and industry peers to reduce emissions throughout the supply chain can lead to shared benefits.</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>- Customers and business partners are increasingly considering the carbon footprint of products and favouring environmentally sustainable options.</li> <li>- GHG emissions can contribute to increased operational costs. As carbon pricing mechanisms become more prevalent, companies may face higher costs for energy, transportation, and raw materials.</li> </ul>	<ul style="list-style-type: none"> <li>- Introduced sustainable sourcing policy.</li> <li>- We are in the process of developing a strategic near-term &amp; long-term ESG roadmap.</li> <li>- Increasing renewable energy mix in our total energy consumption.</li> <li>- Transitioning to use of clean fuels i.e., switching from fossil fuels to LPG/ PNG.</li> </ul>	<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>- By effectively managing and reducing GHG emissions, plastic product manufacturers may gain access to green financing options, grants, incentives, and partnerships with investors focused on sustainable initiatives.</li> <li>- Engaging with stakeholders and incorporating their feedback in GHG reduction strategies can lead to stronger relationships and increased brand loyalty.</li> <li>- Joint efforts to optimize cost, transportation, implement energy-saving practices, and promote sustainable practices can reduce overall GHG emissions and enhance supply chain efficiency.</li> </ul> <p>By embracing these opportunities, plastic product manufacturers can position themselves as responsible corporate citizens, drive innovation, gain a competitive edge, and contribute to a more sustainable future by reducing GHG emissions and promoting environmentally friendly practices.</p> <p><b>Negative:</b></p> <ul style="list-style-type: none"> <li>- Limited market access, or a competitive disadvantage compared to companies offering lower-carbon alternatives, impacting the revenue of the company.</li> <li>- Implementing emissions reduction measures and transitioning to low-carbon technologies can involve significant investments in the short-term.</li> </ul>



S. No.	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Energy Conservation	Opportunity	<p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>- Energy conservation measures often involve optimizing processes, equipment, and systems to operate more efficiently.</li> <li>- Implementing energy conservation measures can lead to significant cost savings.</li> </ul>	<ul style="list-style-type: none"> <li>- Implementation of robust monitoring systems to track energy consumption and performance indicators.</li> <li>- Practicing evaluation of the effectiveness of energy conservation measures.</li> <li>- Investment in comprehensive training programs to educate employees about energy conservation practices, equipment operation, and monitoring protocols.</li> <li>- Consulting with energy experts to identify the most effective and efficient energy conservation measures for our operations on regular basis.</li> </ul>	<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>- Improved productivity, reduced downtime, and streamlined operations, resulting in overall business efficiency gains.</li> <li>- Lowering of utility bills and operational expenses, resulting in improved profitability.</li> </ul>
4	Water Conservation	Risk / Opportunity	<p><b>Opportunities:</b></p> <p>Implementing water conservation measures can lead to significant cost savings by reducing water consumption and associated expenses, such as water supply and wastewater treatment costs.</p> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>- The availability and access to water sources may be limited or unstable, leading to potential disruptions in manufacturing processes.</li> <li>- Non-compliance with water-related regulations and permits can result in legal and financial penalties.</li> <li>- Inadequate water supply or disruptions in water availability can impact production schedules and lead to delays, downtime, or reduced productivity.</li> </ul>	<ul style="list-style-type: none"> <li>- We adopt zero wastewater discharge practices.</li> <li>- We intend to conduct a comprehensive water risk assessment to identify potential risks and vulnerabilities.</li> <li>- Maintaining zero water discharge facilities.</li> <li>- We adopted water management plan that outlines strategies for mitigating risks, such as diversifying water sources, implementing water monitoring systems, and establishing contingency plans for water shortages or disruptions.</li> </ul>	<p><b>Positive:</b></p> <p>Achieving long-term cost benefits and improved financial performance.</p> <p><b>Negative:</b></p> <ul style="list-style-type: none"> <li>- Business disruption due to non-availability of requisite quality of water</li> <li>- Cost implications due to rising water prices</li> <li>- Reputational implications due to improper treatment and discharge of wastewater</li> <li>- Fines and penalties on account of non-adherence to water pollution regulations.</li> </ul>

S. No.	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Waste Management & Circular Economy	Opportunity	<p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>- Implementing effective waste management practices allows for the recovery and recycling of plastic waste.</li> <li>- Recycling and reusing plastic waste reduce the expenses associated with waste disposal and the procurement of new raw materials.</li> <li>- Embracing the circular economy encourages product innovation and design for recycling. Manufacturers can develop products that are easily recyclable, made from recycled materials, or designed for extended use through repair, refurbishment, or remanufacturing.</li> </ul>		<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>- Encouraging recyclability and circular economy initiatives can lead to resource efficiency and cost efficiency in the longer run.</li> <li>- Opening of new market opportunities will cater to the growing demand for sustainable products.</li> </ul>
6	Innovation & Sustainable Product Design	Opportunity	<p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>- Developing innovative and sustainable plastic products can help us stand out in the market.</li> <li>- Creating innovative and sustainable products demonstrates a commitment to environmental responsibility and can enhance our brand reputation.</li> </ul>		<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>- Increasing revenues due to increasing demand for more sustainable products can impact revenue</li> <li>- R&amp;D and innovation leading to launch of new blends and designs will serve rising demands for innovative products and impact the revenue</li> </ul>
7	Product Quality & Safety	Opportunity	<p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>- Emphasizing product quality and safety allows a us to differentiate our offerings in the market.</li> <li>- Delivering high-quality and safe products enhances customer satisfaction and builds trust.</li> </ul>		<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>- Highlighting features such as certifications, rigorous testing processes, and compliance with industry standards can attract safety-conscious customers and create a unique selling proposition.</li> <li>- Satisfied customers can lead to repeat purchase, thereby increasing revenues</li> <li>- New product development as per customer demands</li> <li>- Increased brand reputation</li> </ul>

S. No.	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Occupational Health & Safety	Risk	<p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>- Factors such as unsafe working conditions, inadequate safety measures, lack of training, or non-compliance with safety regulations can increase the risk of accidents.</li> <li>- Excessive workloads, long hours, unrealistic deadlines, lack of work-life balance, or poor management practices can contribute to work-related stress, leading to mental health issues and decreased productivity.</li> </ul>	<ul style="list-style-type: none"> <li>- We have implemented robust safety policies and procedures. e.g., We have developed an organization-wide Health, Safety &amp; Environment (HSE) policy to ensure a safe and healthy working environment across all plants and offices. This policy includes clear instructions and safety protocols for all employees and workers to follow, preventing damage to life and property.</li> <li>- We provide proper training to employees and conduct regular risk assessments, maintaining a safe working environment, promoting a culture of safety.</li> </ul>	<p><b>Negative:</b></p> <ul style="list-style-type: none"> <li>- In the event of workplace accidents or health-related issues, medical expenses can include immediate medical treatment, hospitalization costs, rehabilitation services, and ongoing healthcare for injured or affected employees.</li> <li>- Injured or sick employees may require time off for recovery, resulting in decreased efficiency and increased workloads for other employees. This can impact overall productivity and potentially lead to missed business opportunities.</li> </ul>
9	Employee Well-being	Opportunity	<p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>- Prioritizing employee well-being can lead to increased productivity, efficiency, and overall job satisfaction.</li> <li>- By promoting employee well-being, a supportive work environment can be created that reduces absenteeism and turnover rates.</li> </ul>		<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>- Healthy and engaged employees tend to be more motivated, focused, and committed to their work.</li> <li>- When employees feel valued and their well-being is prioritized, they are more likely to remain with the company, reducing the costs and disruptions associated with high turnover.</li> </ul>
10	Customer Satisfaction	Opportunity	<p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>- By prioritizing customer satisfaction, we can foster customer loyalty and improve customer retention rates. We conduct customer satisfaction surveys to get the customer feedbacks and valuable insights.</li> <li>- A reputation for high customer satisfaction can provide a competitive advantage in the market.</li> </ul>		<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>- Satisfied customers are more likely to continue purchasing products from the company, reducing customer churn, and increasing repeat sales.</li> <li>- Differentiation with competitors and giving customers a compelling reason to choose our products over alternatives</li> <li>- Satisfied customers are more likely to make repeat purchases and potentially increase their spending with a manufacturer. This can lead to higher sales volumes and revenue growth.</li> </ul>

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	<a href="https://www.supreme.co.in/investor">https://www.supreme.co.in/investor</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/labels/ standards adopted by your entity and mapped to each principle.	NGRBC	ISO 14001-2015 ISO 50001:2018 ISO 9001:2015	ISO 18001:2007 ISO 45001:2018 GRI	SA8000 GRI	SA8000 GRI	ISO 14001-2015 ISO 50001:2018 GRI	NGRBC	SA8000 GRI	ISO 11119-3/ EN 12245/ EN14227 IS: 14611-2016 ISO/TS 16949
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Zero case of fines / penalties / punishment from any regulatory/ enforcing agency in reporting year.	Company plans to conduct LCAs for piping products	1) Zero fatalities for employees 2) Ensure 100% assessment of plants and offices on health and safety, and working conditions every year	100% adherence to concerns raised by stakeholders	Zero complaints on human right related issues	1) Consume 800 Lac electricity units from RE sources by 2025 2) Consume 115 lac units from RE sources in 2 of our plants. 3) Reduce 10% specific water consumption by 2025 from 2021-22	Zero adverse orders from regulatory authorities for anti-competitive conduct	3% procurement from MSMEs by year 2025	Zero data privacy breach of customers
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	1) 23% of staff (employees and permanent workers) were provided trainings on NGRBC principles in the current FY 2) There were no cases of fines & penalties on any account.	Plans to commence LCAs from FY 2023-2024	1) No employee fatalities in FY 2022-2023 2) 100% of plants and offices were assessed on health & safety and 100% were assessed on working conditions	100% adherence to concerns raised by stakeholders	No complaints were received on any human rights issue	1) Consumed 445 Lac Units from RE sources in FY 2022-2023 2) Consumed 110 Lac Units from RE sources in 2 of our plants. 3) 44% decrease in specific water consumption from previous year	No adverse orders from regulatory authorities received	1.99% procurement from MSMEs	No data privacy breach of customers

**Governance, leadership, and oversight**

7. Statement by director responsible for the business responsibility report, highlighting ESG - related challenges, targets, and achievements.

Climate change is the biggest business challenge in coming years since we are experiencing an unprecedented scale of the extreme weather events such as heat waves, floods, drought, cyclones, and mother earth's temperature is increasing continuously every year due to over exploitation of natural resources.

Supreme, adopted a holistic approach to mitigate the climate change, sustainable development approach in well focus on the ESG Parameters.

Sustainability in broader sense a focussed approach on protecting worker dignity and safety, conserving natural resources reducing dangerous emissions managing waste, ensuring the integrity of the business operations producing plastic product without impacting the climate.

Supreme have attain greater heights in plastic processing and become leader in the plastic industry. We all are aware that our non-renewable sources are fast depleting. Being a fast-growing company, every year our GHG emission increases and consumption of natural resources lead to an adverse impact on the Environment

The Supreme Industries Limited enhancing the Green infra structure by adding on site solar generation capacity continuously every year to increase its renewable energy footprints & using renewable energy in 24 facilities, TSIL also sources off site renewable energy through the power purchase agreement with Third party wind, hybrid and solar power generators.

As overwhelming as the challenges are, it is our company's unshakeable belief that our business possesses immense capability to make a transformational contribution as a corporate to makes sustainability a core component of our business strategy.

To ensure the positive environmental footprint Supreme adopted a low - carbon growth strategy which focuses on enhanced use of renewable energy resources as well as the reduction of specific energy consumption. It is our collective responsibility to take care of the mother earth & use natural resources wisely to save from permanently damage by following measures at each of the plant.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)	Mr. M.P. Taparia Managing Director DIN: - 00112461
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9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? If yes, provide details.	Yes, Supreme has a Business Responsibility and Sustainable Development Committee (BRSD Committee) which comprises of Mr. M.P. Taparia, Managing Director as Chairman, Shri P.C. Somani, CFO, Shri R.J. Saboo VP (Corp. Affairs) & Company Secretary, and Shri Vasudev Sharma, Senior GM (Energy and Environment) as members. Company's Business Responsibility activities, performance and targets are reviewed by the BRSD Committee and Board of Directors on an annual basis. Risk Management Committee of the Board also assesses the risks pertaining to ESG and certain principles of BRSR.
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10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Other Committee (BRSD Committee)									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances																		
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9	No	No	No	No	No	No	No	No	No

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

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

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**ESSENTIAL INDICATOR**

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	9 Principles of BRSR , Corporate Governance, SEBI Regulations, Environmental & Safety matters	100%
Key Managerial Personnel	1	9 Principles of BRSR , Corporate Governance, SEBI Regulations, Environmental & Safety matters	100%
Employees other than BoD and KMPs	Multiple	Health and Safety trainings, Anti-corruption and bribery topics, Prevention of Sexual Harassment topics, Energy efficiency, etc.	57.77%
Workers	Multiple	Health and Safety trainings, Anti-corruption and bribery topics, Prevention of Sexual Harassment topics, Energy efficiency, etc.	68.66%

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website)

There have been no instances of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings with regulators/law enforcement agencies/judicial institutions for FY 2022 – 2023.

MONETARY					
	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes / No)
Penalty / Fine					
Settlement					
Compounding fee					
Not Applicable					
NON-MONETARY					
	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Brief of the Case		Has an appeal been preferred? (Yes / No)
Imprisonment					
Punishment					
Not Applicable					

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

There have been no cases registered by the entity or by Directors/KMPs which resulted in fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings with regulators/law enforcement agencies/judicial institutions, in the reporting year.

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

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

Yes, Supreme has implemented an anti-bribery and anti-corruption policy that aligns with Supreme’s Code of Conduct and other existing policies that govern integrity. The policy reflects Supreme’s strong commitment to maintaining a zero-tolerance approach towards bribery and corrupt practices. Its primary objective is to promote ethical decision-making and good governance throughout the organization. By emphasizing transparency in all dealings, the policy reinforces Supreme’s culture of integrity. The anti-bribery and anti-corruption policy applies to all relevant stakeholders and individuals associated with Supreme, including those acting on behalf of the company. It outlines the expected responsible conduct that must be always adhered to. By implementing and upholding this policy, Supreme strives to ensure that all business activities are conducted in an ethical and transparent manner, fostering trust, and upholding the highest standards of integrity.

The policy can be accessed at: <https://www.supreme.co.in/investor>

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

No disciplinary action was taken against any Directors/KMPs/employees/workers by any law enforcement agency for charges of bribery/corruption.

	FY 2022-23	FY 2021-22
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

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

No complaints received pertaining to conflict of interest of the Directors & KMPs in FY 2022 – 23 or FY 2021 – 2022.

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of interest of Directors	0	None	0	None
Number of complaints received in relation to issues of Conflict of interest of KMPs	0	None	0	None

**7. Provide details of any corrective action taken or underway on issues related to fines/penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

There were no cases of corruption or conflicts of interest which required action by regulators / law enforcement agencies / judicial institutions.

**LEADERSHIP INDICATOR**

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

Total number of awareness programmes held	Topics/principles covered under the Training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
-	-	-

Management have a plan to conduct awareness programme for value chain partner in coming years.

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

Yes, we have processes in place to avoid/ manage conflict of interests involving members of the Board.

The company's structure consists of two layers: the Board of Directors and the Committees of the Board at the highest level, and the Management Team at the operational level. The Board sets the overall corporate objectives and provides guidance and autonomy to the Management Team to achieve these objectives within a defined framework. This professional management approach creates an environment conducive to sustainable business operations and value creation for all stakeholders.

The Board fulfils its fiduciary responsibilities of protecting the interests of the company, operating within the boundaries of the law. The composition and size of the Board are designed to be robust, allowing it to effectively address emerging business development issues and make independent judgments.

Further, the Company has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of conduct can be accessed at: <https://www.supreme.co.in/investor>

**PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE**

**ESSENTIAL INDICATOR**

**1. Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and CAPEX investments made by the entity, respectively.**

As a responsible organisation, we intend to invest in technologies that improves the environmental and social impacts of products and processes.

	2022 – 2023	2021 – 2022	Details of improvements in environmental and social impacts
R&D	0%	0%	Not Applicable
Capex	9.10%	10%	1. Installation of Rainwater Harvesting System: lead to increased water conservation, one step ahead towards water stewardship. 2. Installation of flowmeters and piezometer to monitor the water level: lead to accurate measurement and monitoring of water quantum, flow rates and groundwater levels, aiming to make improved decisions for improving water efficiency.

	2022 – 2023	2021 – 2022	Details of improvements in environmental and social impacts
Capex			3. Commissioning of Roof Top Solar plants: Lead to increased mix of renewable in the power consumption, thereby reducing the GHG emissions. 4. Energy efficiency initiatives i.e., replacement of old machine with new latest tech machine: Lead to significant energy savings.

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

Yes, we have established procedures to ensure sustainable sourcing practices recently. The Supreme Industries Limited is dedicated to manufacturing its products responsibly and takes steps to ensure that the procurement process is conducted in an ethical, safe, and environmentally conscious manner.

As a leading company in the manufacturing of plastic products, we recognize the importance of long-term sustainable development for our success, and we value our relationships with suppliers who share our commitment to responsible business practices. In alignment with this commitment, we have developed a Sustainable Procurement Policy that reflects our core values. Policy can be accessed at: <https://www.supreme.co.in/investor>. Through these policies, we aim to enhance the sustainability of our operations by:

- a) Adhering to all applicable laws and regulations.
- b) Promoting the highest standards of economic, social, ethical, and environmental practices.
- c) Identifying and moderating the risks associated with our procurement processes.
- d) Communicating the policy to our stakeholders, both internal and external, and raising awareness among our suppliers.

By implementing these measures, we strive to create a sustainable supply chain that aligns with our values and contributes to the overall sustainability goals of the organization.

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

0%

**3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

The plastic materials are reused in accordance with the regulatory and standard norms of the State/Country. In certain instances, the waste is either sold to registered vendors or transported to authorized recyclers.

Internally generated materials are grinded and reused in a manner that ensures optimal quantity without compromising quality. Additionally, Supreme has established agreements with authorized agencies at all locations to facilitate the pickup, recycling, reusing, or safe disposal of these materials.

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

Yes, EPR is applicable to our activities pertaining to plastic packaging production. Yes, the waste collection plan is aligned with EPR plan. It includes following components:

- a) Setting up collection infrastructure: Establishing collection centres, drop-off points, or tie-ups with waste management agencies to ensure convenient and accessible collection of the products and their packaging waste.
- b) Awareness programs: Educate consumers by featuring plastic recycling symbols, also referred to as resin identification codes on our several products. These symbols serve to identify the specific type of plastic resin used in each product, offering guidance on its recyclability.
- c) Tie-ups with waste management agencies: Collaborating with government authorized waste management agencies to handle the collection, transportation, and recycling or disposal of the collected waste in an environmentally responsible manner.
- d) Reporting and compliance: Submitting periodic reports to regulatory authorities, detailing the quantity of waste collected and the measures taken for its proper management.

However, Supreme Industries Limited has taken a proactive step by applying for registration with Extended Producer Responsibility (EPR) to establish waste reduction targets. This initiative reflects Supreme's commitment to take responsibility for the entire lifecycle of their packaging products, encompassing their disposal and recycling processes.



**LEADERSHIP INDICATORS**

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for the service industry)? If yes, provide details:**

Supreme manufactures insulation products that have been recognized as environmentally friendly and have received certification from the CII Green Products and Service Council. Here is a list of the qualified products and their respective certificates:

1. INSU Sound XLO 2. INSU Sound BN 3. INSU Sound B CAP 4. INSU BXL 5. INSU Tape 6. INSUflex Hose & Sheet 7. INSU Reflector 8. INSU Shield 9. INSU Shield Tubing 10. INSU MELA foam

We plan to commence LCA for piping products from FY. 2023-24. This will enable us to gain a comprehensive understanding of the environmental impacts of our products throughout their life cycle. By conducting LCA, we aim to identify areas where improvements can be made to minimize the environmental footprint of our products and enhance their sustainability. This commitment reflects our dedication to responsible and environmentally conscious practices.

We recognize the importance of LCA in evaluating the environmental performance of our products, and we are actively working towards implementing it across all our product segments.

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No) If yes, provide the web-link
Not Applicable					

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

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Recycled In-house Plastic Waste Generation	6.08%	5.10%

**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed:**

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	0	0	0	0	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	0

We remain dedicated to promoting responsible waste management practices. As part of this commitment, many of our products feature plastic recycling symbols, also referred to as resin identification codes. These symbols serve to identify the specific type of plastic resin used in each product, offering guidance on its recyclability. By displaying these symbols, we aim to encourage proper treatment and disposal of our products, ensuring they can be handled appropriately at the end of their life cycle.

This aligns with our commitment to environmental sustainability and responsible product stewardship. We understand the importance of effective waste management and are continuously exploring opportunities to enhance the recyclability and sustainability of our products.

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

**PRINCIPLE 3 : BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS**

**ESSENTIAL INDICATOR**

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

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>PERMANENT EMPLOYEES</b>											
Male	3302	3302	100.00%	3302	100.00%	0	0.00%	3302	100.00%	0	0.00%
Female	107	107	100.00%	107	100.00%	107	100.00%	0	0.00%	0	0.00%
<b>Total</b>	<b>3409</b>	<b>3409</b>	<b>100.00%</b>	<b>3409</b>	<b>100.00%</b>	<b>107</b>	<b>3.14%</b>	<b>3302</b>	<b>96.86%</b>	<b>0</b>	<b>0.00%</b>
<b>OTHER THAN PERMANENT EMPLOYEES</b>											
Male	770	665	86.36%	665	86.36%	0	0.00%	403	52.34%	0	0.00%
Female	41	38	92.68%	38	92.68%	35	85.37%	0	0.00%	0	0.00%
<b>Total</b>	<b>811</b>	<b>703</b>	<b>86.68%</b>	<b>703</b>	<b>86.68%</b>	<b>35</b>	<b>4.32%</b>	<b>403</b>	<b>49.69%</b>	<b>0</b>	<b>0.00%</b>

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

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>PERMANENT WORKERS</b>											
Male	1236	1236	100%	1236	100%	0	0.00%	485	39.24%	0	0.00%
Female	2	2	100%	2	100%	2	100.00%	0	0.00%	0	0.00%
<b>Total</b>	<b>1238</b>	<b>1238</b>	<b>100%</b>	<b>1238</b>	<b>100%</b>	<b>2</b>	<b>0.16%</b>	<b>485</b>	<b>39.18%</b>	<b>0</b>	<b>0.00%</b>
<b>OTHER THAN PERMANENT WORKERS</b>											
Male	11064	9242	83.53%	7550	68.24%	0	0.00%	386	3.49%	0	0.00%
Female	521	272	52.21%	431	82.73%	438	84.07%	0	0.00%	0	0.00%
<b>Total</b>	<b>11585</b>	<b>9514</b>	<b>82.12%</b>	<b>7981</b>	<b>68.89%</b>	<b>438</b>	<b>3.78%</b>	<b>386</b>	<b>3.33%</b>	<b>0</b>	<b>0.00%</b>

**2. Details of retirement benefits.**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity*	100%	40%	Yes	100%	85%	Yes
ESI	32%	75%	Yes	42%	70%	Yes
Others - Group Mediclaim	68%	25%	N.A.	58%	30%	N.A.

\*Company is maintaining Gratuity Trust.

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

Yes, all our offices have been made accessible to accommodate employees and workers with disabilities, in accordance with the Rights of Persons with Disabilities Act, 2016. While in the manufacturing plants, workplace is suited to differently abled persons. We, at TSIL, promote an inclusive workplace to a diverse people from different culture and background of society meet. We strive towards providing an inclusive infrastructure that takes into consideration the demographics of our workforce. We assess all our premises and install ramps wherever feasible. We ensure differently abled persons do not face any issues in all Supreme plants.

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

Yes, the policy can be accessed at: <https://www.supreme.co.in/uploads/images/IXT5wLyZvNeKRPtH8OFphvAVGA0jD7ou8OfZLHuF.pdf>

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

At Supreme, we prioritize fostering a healthy and inclusive workplace environment. We offer parental leaves to our employees, recognizing the importance of supporting them during significant life events. We also place a strong emphasis on the financial and physical well-being of our employees, ensuring their overall welfare is taken care of.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
<b>Total</b>	100%	100%	100%	100%

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

	Yes / No (If yes, then give details of the mechanism in brief)
<b>Permanent Workers</b>	<p>Yes, we have established several mechanisms and committees to address and resolve the grievances of our employees and workers. These include:</p> <ol style="list-style-type: none"> <li>Resolving issues in the presence of the concerned worker, ensuring direct communication and prompt resolution.</li> <li>The Safety Committee team handles grievances that are raised or occur within the company, specifically related to safety concerns.</li> <li>The Working Committee is responsible for addressing and resolving grievances raised at the workplace.</li> <li>A committee of associates is also in place to provide input and assistance in addressing grievances.</li> <li>We have a complaint box located at an easily accessible and visible location within the plant. Employees can submit their grievances into the box. Complaints are regularly reviewed, and appropriate corrective actions are taken based on the feedback received.</li> <li>The Works Committee and Health and Safety Committee have been established to specifically address and redress complaints and grievances from employees and workers. These committees play a vital role in ensuring that grievances are handled effectively and resolved in a timely manner.</li> </ol> <p>These mechanisms and committees collectively contribute to a robust grievance resolution process, ensuring that the concerns and grievances of our employees and workers are taken seriously and appropriately addressed. By actively seeking and incorporating employee feedback for workplace improvement, TSIL aims to build trusted relationships with its employees and promote talent management, leading to higher retention rates and a reduction in grievances that require prompt resolution.</p> <p>The above details are also available in our Grievance redressal policy accessible on our website.</p>
<b>Other than Permanent Workers</b>	
<b>Permanent Employees</b>	
<b>Other than Permanent Employees</b>	

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

Benefits	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	3409	0	0%	3395	0	0%
- Male	3302	0	0%	3301	0	0%
- Female	107	0	0%	94	0	0%
<b>Total Permanent Workers</b>	1238	902	72.85%	1284	889	69.24%
- Male	1236	902	72.97%	1282	889	69.34%
- Female	2	0	0%	2	0	0

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

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>EMPLOYEES</b>										
Male	4072	2380	58.45%	2909	71.43%	3841	2143	55.79%	2026	52.75%
Female	148	58	39.19%	55	37.16%	103	55	53.40%	60	58.25%
<b>Total</b>	<b>4220</b>	<b>2438</b>	<b>57.77%</b>	<b>2964</b>	<b>70.24%</b>	<b>3944</b>	<b>2198</b>	<b>55.73%</b>	<b>2086</b>	<b>52.89%</b>
<b>WORKERS</b>										
Male	12300	8344	67.84%	7574	61.58%	9996	6848	68.51%	4747	47.49%
Female	523	461	88.15%	372	71.13%	479	278	58.04%	357	74.53%
<b>Total</b>	<b>12823</b>	<b>8805</b>	<b>68.66%</b>	<b>7946</b>	<b>61.97%</b>	<b>10475</b>	<b>7126</b>	<b>68.03%</b>	<b>5104</b>	<b>48.73%</b>

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

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	4072	4072	100%	3841	3841	100%
Female	148	148	100%	103	103	100%
<b>Total</b>	<b>4220</b>	<b>4220</b>	<b>100%</b>	<b>3944</b>	<b>3944</b>	<b>100%</b>
<b>Workers</b>						
Male	12300	12300	100%	9996	9996	100%
Female	523	523	100%	479	479	100%
<b>Total</b>	<b>12823</b>	<b>12823</b>	<b>100%</b>	<b>10475</b>	<b>10475</b>	<b>100%</b>

**10. Health and safety management system:**

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?**

Yes, 13 of our plants have already obtained ISO 45001 certification, indicating TSIL's unwavering commitment to implement proper and effective health and safety management practices in the workplace. This certification not only minimizes risks to employees, visitors, and external contractors on the premises but also leads to cost savings and reduces incidents. In addition to ISO 45001 certification, TSIL has also developed an organization-wide Health, Safety & Environment (HSE) policy to ensure a safe and healthy working environment across all plants and offices. This policy includes clear instructions and safety protocols for all employees and workers to follow, preventing damage to life and property.

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

TSIL has successfully implemented HIRA, PTW, and JHA in a cohesive manner, providing a comprehensive approach to identify hazards, assess risks, implement control measures, ensure compliance, and drive continuous improvement. As a result, TSIL has fostered a safety-conscious culture, leading to a reduction in accidents and injuries, enhanced protection for personnel and assets, and improved overall operational efficiency. The adoption of these processes has enabled TSIL to achieve the following benefits:

- **Proactive Risk Management:** By implementing HIRA, PTW, and JHA, TSIL has been able to proactively manage risks, preventing accidents, injuries, and property damage. This has significantly improved the organization's overall safety performance.
- **Safer Work Environment:** Through the collective implementation of these processes, TSIL has effectively determined appropriate control measures, created a safer work environment and reducing the likelihood of incidents occurring.
- **Standardized Procedures:** TSIL has established standardized procedures and guidelines for hazardous work, ensuring consistency and clarity in operations. This has streamlined processes and reduced the risk of errors or oversights.
- **Compliance with Regulations:** The adoption of HIRA, PTW, and JHA has enabled TSIL to comply with safety regulations and meet legal requirements. This ensures that the organization operates within the prescribed safety standards, mitigating the risk of penalties and legal consequences associated with non-compliance.
- **Tailored Safety Training:** TSIL has tailored its safety training programs to address specific hazards associated with each job. This approach ensures that employees are equipped with the necessary knowledge and skills to perform their tasks safely and effectively.

By implementing HIRA, PTW, and JHA collectively, TSIL has created a robust safety framework that not only addresses hazards and risks but also drives continuous improvement in safety practices and procedures.

**c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes, Supreme has established procedures to enable workers to report any work-related hazards they encounter and take appropriate actions to remove themselves from such risks. The processes for raising concerns or providing feedback at Supreme include various channels for direct interaction with the controller or safety officer. Additionally, employees have the option to submit their suggestions through a suggestion box. If needed, they can also approach the Work's Committee or Health and Safety Committee to address their concerns or provide input on safety-related matters. These channels facilitate open communication and engagement, ensuring that employees' voices are heard, and their concerns are addressed appropriately.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)**

Yes, employees / workers have access to non-occupational medical and healthcare services.

**11. Details of safety related incidents:**

Safety Incident / Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) per one million-person hours worked)	Employees	9.32	172.32
	Workers	9.76	284.55
Total recordable work-related injuries	Employees	112.00	57.00
	Workers	391.00	221.00
No. of fatalities	Employees	0.00	1.00
	Workers	0.00	0.00
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0.00	0.00
	Workers	0.00	0.00

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

Supreme takes several measures to ensure a safe and healthy working environment for all employees, workers, and other stakeholders such as visitors. These measures, which include but are not limited to, are as follows:

- Provision of Personal Protective Equipment (PPE): Supreme ensures that employees and workers have access to appropriate PPE to protect themselves from potential hazards.
- Installation of a Complete Fire Hydrant System: Supreme has installed a comprehensive fire hydrant system along with fire extinguishers to effectively address fire-related risks.
- Availability of Safe Emergency Assembly Area: A designated emergency assembly area is provided to ensure the safe gathering of individuals during emergencies.
- Accessible Utilities: Supreme ensures easy accessibility to utilities such as drinking water facilities and proper sanitary systems, contributing to a hygienic work environment.
- Enhanced Physical Security: CCTV cameras are strategically installed to enhance physical security and surveillance within the premises.
- Defined Safety and Health SOPs: Supreme has established clear and communicated Standard Operating Procedures (SOPs) related to safety and health, ensuring that employees are aware of and adhere to safety protocols.
- Health and Safety Trainings and Mock Drills: Supreme conducts regular health and safety trainings as well as mock drills at all locations to prepare employees and workers for emergency situations and reinforce safety practices.
- Regular 5S and Safety Audits: Supreme conducts periodic audits, including 5S (Sort, Set in order, Shine, Standardize, Sustain) and safety audits, to evaluate and improve the overall safety standards within the organization.
- Effective Permit to Work (PTW) System: Supreme has implemented a robust PTW system to ensure that hazardous work activities are authorized, monitored, and conducted safely.

By implementing these measures, Supreme aims to create a secure and healthy work environment that prioritizes the well-being and safety of all individuals associated with the organization.

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

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	None	5	0	All complaints are resolved
Health & Safety	0	0	None	6	0	All complaints are resolved

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Working conditions	100%
Health and safety practices	100%

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.**

The risks/ concerns identified in ISO 45001, utilizing the Hazard Identification and Risk Assessment (HIRA) process, have been effectively addressed. Corrective actions were implemented after engaging and consulting with both managerial and non-managerial employees and workers. The effectiveness of these corrective actions is regularly monitored to ensure that the risks and concerns have been addressed adequately.

**LEADERSHIP INDICATORS**

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

	(Y/N)
Employees	Y
Workers	Y

The compensatory package has been extended to include all permanent employees and workers who are on the company's payroll.

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

- Distributors undergo GST checks, and statutory compliance evaluations are conducted during their shortlisting process at Supreme.
- When registering new distributors/ vendors, Supreme verifies their online GST Return filing status.

This helps Supreme ensure that the statutory dues have been deducted and deposited by the value chain partners.

**3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	0	1	0	1
Workers	0	0	0	0

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes, Supreme provides transition assistance programs to help employees manage career endings due to retirement or termination. The individual may be considered for an advisory role at the discretion of management. Furthermore, employees are eligible for gratuity or severance pay, which is determined based on their length of service with the company.

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

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	0%
Working conditions	0%

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Currently, we do not evaluate our value chain partners based on the risks or concerns that may arise from their health and safety practices and working conditions. However, we intend to implement an assessment process to evaluate our value chain partners in these areas. This will enable us to consider and address any potential risks or concerns related to health and safety practices and working conditions throughout our value chain.

**PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS**

**ESSENTIAL INDICATOR**

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

The stakeholders of the Company include individuals, groups, and entities that are affected by the business operations and projects. Among these stakeholders, there are key stakeholders who hold significant value for the business and have a greater impact on its operations. This group of key stakeholders includes employees, shareholders/investors, distributors, customers, channel partners, research analysts, vendors, suppliers, regulators, and government agencies.

The process of identifying these key stakeholders considers input and feedback from various departments within the organization, as well as senior management and the Board. This collaborative approach ensures that a comprehensive assessment is made to identify the stakeholders who hold the most importance and influence in relation to the company's activities. By engaging in this process, Supreme effectively manages its relationships and engage with key stakeholders to meet their expectations and address their concerns.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Emails, Notice Board and other communication mechanisms	Daily	Follow up for SOPs and compliances with policies of the Company
Shareholders / Investors	No	Emails, Newspaper, Advertisement, Website, Notice Board, Other	Quarterly and as and when need arises	Disclosing Quarterly/ Half Yearly/Yearly Results, sending Annual Reports and Notice for General Meetings
Distributors / Channel Partners	No	Email, Other	Others -Frequent and need basis	Sales Orders, Discount Policies, Advertisement etc
Customers	No	Multiple Channel – physical and digital	Others -Frequent and need based	Through Distributors and direct interaction
Research Analyst	No	Email/ con-calls, meetings, Video – conferences	Others -Frequent and need based	Interaction on explaining the Quarterly/half yearly/ yearly results and issuance of Press Releases
Suppliers	No	Email/ con-calls, meetings, Video – conferences	Others -Frequent and need based	Purchase of Machines, Plastics Polymers, Consumables, Packing Materials etc.
Government Agencies	No	Email, one-on-one meetings, Con-calls, videoconference	Need based	On various Law points, regulations, amendments, and approvals
Communities	No	Directly or through Supreme Foundation	Frequent and need based	Support socially / by CSR Activities to satisfy needs of society / communities

**LEADERSHIP INDICATOR**

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

Supreme facilitates various platforms for consultation between stakeholders and the Board, fostering ongoing engagement and communication. These platforms include regular meetings of the Managing Director (MD), Executive Director (ED), and Senior Management with stakeholders. By establishing and maintaining these channels of communication, Supreme aims to understand the needs and expectations of stakeholders in terms of economic, environmental, and social parameters.

This continuous engagement allows the Company to incorporate stakeholder requirements and expectations into its strategies and improve its overall performance to better serve stakeholders. The Board actively follows up on development initiatives, suggestions, and feedback from individual Board Members, ensuring that all perspectives and insights are taken into consideration.

By actively engaging with stakeholders and keeping itself updated, Supreme aims to enhance its understanding of stakeholder priorities and concerns, thereby enabling itself to make informed decisions and shape its operations in a manner that aligns with stakeholder interests.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics. (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, stakeholder consultation plays a crucial role in assisting Supreme in identifying and managing environmental and social matters. The development of Company Policies related to the environment and social aspects is a direct outcome of ongoing engagements with various stakeholders, including government regulatory authorities, distributors, suppliers, and the local community. Through these consultations, Supreme gathers valuable insights and feedback from stakeholders, enabling a deeper understanding of environmental and social concerns. This input is then utilized to formulate robust policies that align with regulatory requirements, stakeholder expectations, and industry best practices.

By actively involving stakeholders in the policy formulation process, Supreme ensures that its policies effectively address key environmental and social issues relevant to its operations. This collaborative approach not only helps integrate sustainability considerations into the company's practices but also fosters positive relationships with stakeholders based on mutual understanding and shared objectives.

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

The Company directly or through Supreme Foundation actively engages in CSR activities. This includes uplifting of under privilege in the society, supporting needy and poor students in the vicinity of its operations, providing education, free medical assistance and check-ups through NGOs, and contributing towards medical equipment for the treatment of patients. Detailed CSR activities given in (CSR Annexure to the Board Report's).

**PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

**ESSENTIAL INDICATOR**

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

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	3409	2527	74.13%	3395	2143	63.12%
Other than permanent	811	538	66.34%	549	55	10.02%
<b>Total Employees</b>	<b>4220</b>	<b>3065</b>	<b>72.63%</b>	<b>3944</b>	<b>2198</b>	<b>55.73%</b>
<b>Workers</b>						
Permanent	1238	1079	87.16%	1284	278	21.65%
Other than permanent	11585	6624	57.18%	9191	6848	74.51%
<b>Total Workers</b>	<b>12823</b>	<b>7703</b>	<b>60.07%</b>	<b>10475</b>	<b>7126</b>	<b>68.03%</b>

**2. Details of minimum wages paid to employees and workers:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
<b>Permanent</b>	<b>3409</b>	<b>17</b>	<b>0.50%</b>	<b>3392</b>	<b>99.50%</b>	<b>3395</b>	<b>48</b>	<b>1.41%</b>	<b>3347</b>	<b>98.59%</b>
Male	3302	17	0.51%	3285	99.49%	3301	46	1.39%	3255	98.61%
Female	107	0	0%	107	100%	94	2	2.13%	92	97.87%
<b>Other than Permanent</b>	<b>811</b>	<b>522</b>	<b>64.36%</b>	<b>289</b>	<b>35.63%</b>	<b>549</b>	<b>252</b>	<b>45.90%</b>	<b>297</b>	<b>54.10%</b>
Male	770	485	62.99%	285	37.01%	540	243	45%	297	55%
Female	41	37	90.24%	4	9.76%	9	9	100%	0	0%



Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Workers</b>										
<b>Permanent</b>	<b>1238</b>	<b>0</b>	<b>0%</b>	<b>1238</b>	<b>100%</b>	<b>1284</b>	<b>0</b>	<b>0%</b>	<b>1284</b>	<b>100%</b>
Male	1236	0	0%	1236	100%	1282	0	0%	1282	100%
Female	2	0	0%	2	100%	2	0	0%	2	100%
<b>Other than Permanent</b>	<b>11585</b>	<b>7799</b>	<b>67.32%</b>	<b>3786</b>	<b>32.68%</b>	<b>9191</b>	<b>4544</b>	<b>49.44%</b>	<b>4647</b>	<b>50.56%</b>
Male	11064	7402	66.90%	3662	33.10%	8714	4294	49.28%	4420	50.72%
Female	521	397	76.20%	124	23.80%	477	250	52.41%	227	47.59%

**3. Details of remuneration/salary/wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	3,500,000	1	3,000,000
Key Managerial Personnel	3	24,714,563	0	0
Employees other than BoD and KMP	4,072	304,248	148	285,180
Workers	12,300	136,482	523	128,676

\*Median Salary – Annual Basis

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, human right related issues can be raised to HR managers/ community grievance redressal officers. A dedicated committee is formed to address human rights issues and resolve stakeholder concerns.

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

Supreme has established a robust mechanism to effectively address grievances related to human rights. This mechanism includes various institutional structures such as the Grievances Committee. Any individual who believes that he/she has been discriminated against as per the policy shall bring his/her grievances to HR manager in writing/in person. Supreme will ensure that for any such complaint, a committee will be formed within 48 hours and the grievance is addressed within 96 hours of filing the complaint. Our Stakeholder grievance redressal policy provides details of grievance redressal and escalation mechanism.

These structures are in place to ensure that grievances pertaining to human rights are promptly and appropriately addressed within the organization.

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

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	None	0	0	None
Discrimination at workplace	0	0	None	0	0	None
Child Labour	0	0	None	0	0	None
Forced Labour/ Involuntary Labour	0	0	None	0	0	None
Wages	0	0	None	0	0	None
Other human rights related issues	0	0	None	0	0	None

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

Supreme has implemented robust mechanisms to prevent any adverse consequences for the complainant. Initiatives such as the establishment of a works committee and Health and Safety Committee provide the necessary protection and support to the individual filing a complaint. Furthermore, Supreme strictly adheres to a zero-tolerance policy regarding such cases, ensuring that the identity and information of the complainant remain confidential. Regular social audits are conducted to address these aspects within the organization and ensure a safe and inclusive environment for all.

Also, our vigil mechanism encourages the complainant to bring any issues pertaining to a human rights violation to the management's attention without fear of retaliation or unfair treatment by reporting at designated e-mail addresses or contact information. Our Audit Committee has appointed whistle blower officer who is responsible for review of employee concerns reported through the Whistle Blower mechanism. The Whistle Blower Policy is present on the Company's website and can be assessed at [www.supreme.co.in](http://www.supreme.co.in).

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

Yes, human rights requirements form part of our business agreements and contracts. We are working towards establishing monitoring mechanism to ensure human rights issues are taken care by our business partners.

**9. Assessments of the year**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

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

We implement necessary measures and take corrective actions in accordance with the applicable laws. We continuously monitor these aspects and keep checks & balances in place.

**LEADERSHIP INDICATOR**

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

Supreme has implemented a robust process in place that effectively addresses various concerns and issues. As a testament to its effectiveness, no grievances or complaints related to human rights have been received. Consequently, no modifications or changes were required in the business processes to address such matters. The current process includes the following key steps:

- 1) Assessing actual and potential human rights impacts: This step involves conducting a thorough assessment of the company's operations, supply chains, and business relationships to identify any actual or potential human rights impacts. This may involve engaging with stakeholders, conducting audits, and reviewing relevant policies and practices.
- 2) Integrating and acting on the findings: Once the human rights impacts are identified, the company integrates the findings into its policies, procedures, and decision-making processes. This may involve developing or updating human rights policies, implementing due diligence measures, and establishing mechanisms to address and mitigate any identified risks or negative impacts.
- 3) Tracking responses: The company tracks and monitors its responses to the identified human rights impacts. This includes monitoring the effectiveness of implemented measures, assessing progress, and addressing any emerging issues or challenges.
- 4) Communicating about how impacts are addressed: The company communicates transparently about its efforts to address human rights impacts. This includes sharing information with relevant stakeholders, such as employees, customers, investors, and communities, about the steps taken to address the impacts, the progress made, and any challenges faced. Effective communication helps build trust, accountability, and understanding among stakeholders.

By following these key steps, the company aims to ensure that human rights are respected and upheld throughout its operations and value chain. The process helps identify and address any negative impacts, promote responsible practices, and contribute to the protection and promotion of human rights.

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

At Supreme, we are committed to upholding and respecting human rights. We have a dedicated standalone Human Rights Policy that guides our actions and decisions. Our policy aligns with the United Nations Guiding Principles on Business and Human Rights, and we proactively address and resolve issues related to business and human rights. We regularly communicate these principles to our senior management, emphasizing their importance in our operations. Furthermore, we actively promote the adoption of best practices in human rights among our business associates and partners. We believe in continuous learning and strive to incorporate global best practices into our systems and processes.

Additionally, we intend to conduct Human Rights Due Diligence, which will involve the following steps:

- a) Identification and assessment of human rights risks.
- b) Implementation of measures to prevent and mitigate adverse human rights impacts.
- c) Accountability for addressing any human rights impacts that may arise.

By undertaking these steps, we aim to ensure that our operations align with human rights principles and standards, and that we proactively address any potential risks or impacts on human rights.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, Supreme actively encourages an inclusive workplace for people of various cultures and backgrounds. We endeavour to provide an inclusive environment that takes into consideration our workforce's diversity.

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

We are in process of formulating a mechanism to assess/evaluate the value chain partners on criteria such as sexual harassment, discrimination at workplace, child labour, forced labour/involuntary labour and wages etc. Going forward, we intend to disclose the required information.

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	0%
Discrimination at workplace	0%
Child Labour	0%
Forced Labour/Involuntary Labour	0%
Wages	0%

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Currently, we have not conducted assessments of our value chain partners. However, we plan to assess our value chain partners to identify and address any significant risks or concerns that may arise from these assessments, in coming future. By conducting thorough evaluations, we can take appropriate corrective actions to mitigate any identified risks and ensure that our value chain partners align with our expectations and standards. This proactive approach will enable us to strengthen our supply chain and promote responsible practices throughout our value chain network.

**PRINCIPLE 6 : BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT**

**ESSENTIAL INDICATOR**

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

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	966,375,077,635	8,31,91,42,54,800
Total fuel consumption (B)	668,643,891,822	708,362,826,548
Energy consumption through other sources (C)	160,085,647,800	118,845,536,400
<b>Total energy consumption (A+B+C)</b>	<b>1,795,104,617,257</b>	<b>1,659,122,617,748</b>
Energy intensity per rupee of turnover (Total energy consumption, KJ/ turnover in rupees)	19.34	21.16
Energy intensity (KJ/MT of production)	3,524,889	4,146,096

We have revised the energy consumption figures for the previous year to align with the newly adopted IPCC standard calorific values. These values allow us to accurately calculate the energy consumption equivalent to the fuel consumed in both the current and previous years.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.**

No

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No). If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No, none of our sites are covered under PAT scheme.

**3. Provide details of the following disclosures related to water:**

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	292,032	49,902
(ii) Groundwater	447,300	705,412
(iii) Third party water	210,625	551,717
(iv) Seawater / desalinated water	0	0
(v) Others	7,832	39,043
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>957,789</b>	<b>1,346,075</b>
Total volume of water consumption (in kilolitres)	<b>957,789</b>	<b>1,346,075</b>
Water intensity per rupee of turnover (Water consumed / turnover)	0.000010	0.000017
Water intensity (kL/MT of production)	1.88	3.36

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.**

No

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

Yes. Supreme Industries has implemented a sustainable water management system that includes the recycling of treated water from its Sewage Treatment Plants (STP). The treated water is utilized for green area development within the plant premises and for flushing purposes after undergoing tertiary treatment.

By recycling the treated water, Supreme Industries ensures that no water is discharged outside the plant periphery. This approach minimizes water wastage and contributes to efficient water resource management. It also helps in reducing the plant's environmental impact by avoiding unnecessary water consumption and external discharge.

**5. Please provide details of air emissions (other than GHG emissions) by the entity:**

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	ppmv	544	446
SOx	%	0.824	0.178
Particulate matter (PM)	mg/Nm <sup>3</sup>	48.8	44.6
Persistent organic pollutants (POP)	NA	Nil	Nil
Volatile organic compounds (VOC)	NA	Nil	Nil
Hazardous air pollutants (HAP)	NA	Nil	Nil
Others – please specify	NA	Nil	Nil
CO	mg/Nm <sup>3</sup>	52	57.7
Hydrocarbon as NHMC	mg/Nm <sup>3</sup>	36.4	42.6

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.**

No

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:**

Parameter	Unit	FY 2022-23	FY 2021-22
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	13,897	11,471
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	180,323	155,615
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	Metric tonnes of CO <sub>2</sub> equivalent / INR of turnover	0.0000025	0.0000021
<b>Total Scope 1 and Scope 2 emission intensity</b> – the relevant metric may be selected by the entity	Metric tonnes of CO <sub>2</sub> equivalent / MT of production	0.485	0.418

Previous year Scope-2 emission revised based on CEA optimal mix report issued in May 2023.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.**

No

**7. Does the entity have any projects related to reducing Green House Gas emission? If yes, then provide details.**

Yes, please find below the several GHG emissions reduction initiatives undertaken by Supreme:

- We have formulated an Energy Policy that focuses on procuring advanced energy-efficient equipment for our process machinery such as injection moulding, extruders, and utility equipment including chillers, compressors, vacuum pumps, and water pumps. Our continuous efforts towards energy efficiency improvement have led to a reduction in our specific energy consumption. We consistently strive to enhance our energy efficiency performance.
- We have substituted fossil fuels with PNG/LPG in our manufacturing activities.
- We have upgraded our HT power infrastructure from mixed consumer to express feeder at our Khopoli and Talegaon facilities to optimise DG Run Hours.
- We closely monitor the energy performance of our energy-intensive units. Already 9 of our facilities located in Pondy, Jalgaon I & II, Gadegaon, Durgapur, Kharagpur, Malanpur PVC, Kanpur, and Noida have been certified with ISO-50001 EnMS (Energy Management System) to monitor energy efficiency. Additionally, we are further focusing to improve energy efficiency by implementing ISO-50001 certification for six more facilities located in Hosur, Muvala, Halol, Jadcherla, and Derabassi. This certification highlights Supreme's commitment to implementing effective energy management practices throughout our operations.
- We have demonstrated a strong commitment to solar energy by significantly expanding our own solar capacity. As of FY (22-23), we have scaled up our solar capacity to 28.05 MWP (MegaWatt peak). This means that we are now able to generate solar power at that capacity. However, our ambition does not stop there. We have set a target to further increase our solar capacity to 40 MWP (MegaWatt peak) by FY (23-24). This expansion will enable us to harness even more renewable solar energy, reducing our carbon footprint and contributing to a more sustainable future.

- f) We are proactively boosting the utilization of renewable energy in our units across all plants. This involves a 14.09% increase in the adoption of renewable energy sources. We achieved this through the implementation of our own roof-top solar installations and by procuring clean energy through Power Purchase Agreements (PPAs) for wind and solar projects at various locations throughout India. These efforts enable us to reduce our dependence on non-renewable energy sources and contribute to a more sustainable energy ecosystem.
- g) During FY 23, our Chennai and Hosur facilities made significant contributions to green energy, accounting for 79.48% and 77.82% respectively, of their total energy consumption. By prioritizing renewable energy sources and minimizing our reliance on non-renewable resources, we aim to drive sustainable practices and reduce our environmental impact.
- h) We have achieved significant success in avoiding emissions. Over the course of FY23, our efforts resulted in a notable increase in avoided emission levels. Specifically, we avoided emissions of 29,860 tCO<sub>2</sub>e (metric tons of carbon dioxide equivalent) during this period. This marks a significant improvement compared to the previous FY22, where we avoided 22,209 tCO<sub>2</sub>e emissions. Our commitment to emission reduction and sustainability remains steadfast as we continue to prioritize measures that contribute to a greener and more environmentally responsible future.
- i) In our efforts to enhance the renewable energy mix in our power consumption, we have engaged in long-term Power Purchase Agreements (PPAs) for solar power, wind power, and hybrid power at various locations. These agreements play a crucial role in increasing the proportion of renewable energy sources utilized in our operations. By partnering with renewable energy providers, we are able to secure a significant and sustainable supply of clean energy, furthering our commitment to reducing our environmental impact and promoting a greener energy ecosystem.

**8. Provide details related to waste management by the entity:**

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	33,605	45,492
E-waste (B)	6	4
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	11	8
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	2,224	191
Other Non-hazardous waste generated (H).	3,598	3,680
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>39,444</b>	<b>49,375</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	31,286	45,363
(ii) Re-used	372	32
(iii) Other recovery operations	0	0
<b>Total</b>	<b>31,658</b>	<b>45,396</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	7,786	5,674
<b>Total</b>	<b>7,786</b>	<b>5,674</b>

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.**

No

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

Recycling plastic waste within our manufacturing units is a significant step towards sustainable waste management at Supreme. By utilizing grinders and shredders, we are able to process and reuse plastic waste, reducing the need for new plastic production and minimizing the environmental impact associated with plastic disposal.

In addition to plastic waste, we also prioritize the proper disposal of other types of waste such as e-waste, battery waste, spent oil, and scraps. These materials often contain hazardous components that require specialized handling and treatment to prevent harm to the environment and human health. By engaging authorized vendors, we ensure that these waste materials are managed in compliance with relevant regulations and best practices.

Furthermore, we are committed to effectively managing horticultural waste generated on-site. Through vermi-composting, a natural process involving the use of earthworms, we convert horticultural waste into nutrient-rich compost. This compost is then utilized to maintain and develop the green areas within our premises, promoting a sustainable and lush environment.

Similarly, the sludge produced from our Sewage Treatment Plant (STP) is recycled and repurposed as organic manure. This nutrient-rich sludge contributes to the fertilization of our green areas, supporting their healthy growth and maintenance. Lastly, we take responsible measures to manage food waste generated from our canteen. By diverting this waste to nearby animal farms, we ensure that it is utilized as a valuable resource.

Through these waste management practices, we strive to minimize our environmental impact, promote sustainability, and contribute to a circular economy by repurposing waste materials for beneficial reuse.

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

No, we do not have any office or plant location in the buffer zone of any ecological sensitive area.

S.No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N). If no, the reasons thereof and corrective action taken, if any.
Not Applicable. Supreme does not have any operations / offices in / around ecologically sensitive areas.			

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
Not Applicable. Supreme has not undertaken any projects that require an Environmental Impact Assessment (EIA).					

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

S.No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable.				

No further action is required as Supreme is already in full compliance with all applicable laws and regulations. The company has diligently adhered to the required standards and legal obligations, leaving no room for any additional actions or measures.

**LEADERSHIP INDICATORS**

**1. Provide break-up of the total energy consumed (in KJ) from renewable and non-renewable sources:**

Parameter	FY 2022-23	FY 2021-22
<b>From renewable sources</b>		
Total electricity consumption (A)	160,085,647,800	118,845,536,400
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>160,085,647,800</b>	<b>118,845,536,400</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	966,375,077,635	831,914,254,800
Total fuel consumption (E)	668,643,891,822	708,362,826,548
Energy consumption through other sources (F)	0	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>1,635,018,969,457</b>	<b>1,540,277,081,348</b>

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.**

No

**2. Provide the following details related to water discharged:**

Parameter	FY 2022-23	FY 2021-22
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

Once the wastewater undergoes the necessary treatment at Supreme Industries' Sewage Treatment Plant (STP) and is recycled, it serves specific purposes within the plant premises. The treated water is utilized for two primary purposes:

**Green Area Development:** The recycled water is used for the development and maintenance of green areas within the plant premises. This includes watering plants and gardens promoting a sustainable and environmentally friendly approach to landscaping.

**Flushing:** After undergoing tertiary treatment, the treated water is also used for flushing purposes. This ensures that treated water from the STP is effectively utilized, minimizing the need for additional freshwater resources for flushing toilets and other sanitation facilities within the plant.

By reusing the treated wastewater for green area development and flushing, Supreme Industries demonstrates its commitment to responsible water management and conservation. This practice helps reduce water consumption and promotes the sustainable use of resources within the plant premises.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.**

No

**3. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres): For each facility / plant located in areas of water stress, provide the following information:**

- (i) Name of the area: Not Applicable
- (ii) Nature of operations: Not Applicable
- (iii) Water withdrawal, consumption, and discharge:

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>0</b>	<b>0</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>0</b>	<b>0</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	0	0
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	0	0
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) Into Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0

Parameter	FY 2022-23	FY 2021-22
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>Total water discharged (in kilolitres)</b>	<b>0</b>	<b>0</b>

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No

**4. Please provide details of total Scope 3 emissions & its intensity:**

Parameter	Unit	FY 2022-23	FY 2021-22
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	will be published in Sustainability report	Not computed
<b>Total Scope 3 emissions per rupee of turnover</b>			
<b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity			

We are currently in the process of computing Scope 3 emissions.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.**

Not Applicable

**5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

With respect to the ecologically sensitive areas, all locations are outside the buffer zone from forests, national park/sanctuaries, seacoast, and ecologically sensitive areas.

**6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Installation of Roof top solar power plants	Installation of 28 MWp Roof top solar power plants at different manufacturing locations across India	- Improved renewable energy mix in production facilities. i.e., contributed 8% of the total electricity consumption in FY23. - GHG emissions reduction.
2	Engagement for long term renewable energy PPAs	Signed long term Solar, Wind and Hybrid PPAs at various locations across the India	- Improved renewable energy mix in production facilities. i.e., contributed 2% of the total electricity consumption in FY23. - GHG emissions reduction.
3	Installation of energy efficient equipment	Installation of energy efficient machinery - Injection moulding, extruders & Utility equipment such as chiller, compressor, vacuum pump, water pumps	- Energy Consumption Reduction - GHG Emissions Reduction
4	In-house recycling of plastic waste generated	Plastic waste generated from the end trimmings and other manufacturing processes is grinded and converted into plastic granules, making them ready for reusing as a raw material	- Recycled 6.08% of the total waste generated by value in FY23. - Improved material efficiency
5	Maintaining Zero liquid discharge	After recycling of water from Supreme's Sewage Treatment Plants (STP), the treated water is utilized for green area development within the plant premises and for flushing purposes after undergoing tertiary treatment ensuring a Zero Liquid Discharge.	- Improved water efficiency



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

Yes, Supreme Industries has implemented a robust business continuity and disaster management plan. The purpose of this plan is to allow for Continuity of Business Operations at all facilities of The Supreme Industries Limited in the event of an emergency. The plan provides adequate information on preventing and limiting the consequence of incidents and handling the emergency. These procedures are aimed primarily at serving as guidance for the Emergency Response Teams at plant level who are responsible for managing the employees to safety during times of crisis.

The plan provides details of ERT, emergency responsibilities, emergency communication, emergency preparedness, business continuity process, safety procedures, mock drill. The plan also provides details on climate risk mitigation strategy and emergency actions for hazards such as fire, earthquake, flood and cyclones.

This plan is designed to ensure the prevention and mitigation of incidents, as well as the effective handling of emergency situations. By having this plan in place, we aim to minimize the impact of emergencies and swiftly respond to any crisis that may occur.

We are committed to maintaining a safe and secure working environment for our employees and stakeholders, and our business continuity and disaster management plan plays a crucial role in achieving this goal. Regular drills, training sessions, and updates to the plan are conducted to ensure its effectiveness and readiness in the face of any emergency.

Link: <https://www.supreme.co.in/investor>

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

We recognize the importance of identifying key environmental issues that may have a significant adverse impact throughout our value chain. As part of our commitment to sustainable practices, we are currently in the process of conducting an assessment to identify these key issues.

This assessment involves a comprehensive review of our value chain, from the sourcing of raw materials to the manufacturing process, distribution, product use, and disposal. We are evaluating various aspects such as energy consumption, greenhouse gas emissions, water usage, waste generation, and pollution.

By identifying these key environmental issues, we aim to prioritize and address them effectively. This will enable us to develop targeted strategies and initiatives to mitigate the adverse environmental impacts throughout our value chain. We are committed to implement sustainable practices and minimizing our environmental footprint. Through this assessment, we will gain valuable insights into the areas where we can make the most significant improvements and take appropriate actions. We are dedicated to continuous improvement and will work closely with our stakeholders to ensure that our environmental efforts align with their expectations and contribute to a more sustainable future.

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

We are in the process of integrating ESG KPI for our value chain partners and assess them systematically for these parameters. Supreme has adopted the policy of working with ISO-14001 and ISO - 45001 certified contractors/ suppliers/ vendors for its major services. All contractors/ suppliers/vendors are maintaining human resources policies including disciplinary practices, remuneration and working hour and health, environment & safety related clauses in their jobs/contracts. Environment, Social and good Governance practice are core of our procurement practices, and we emphasize the need of lowering our carbon footprint in our buying practices.

**PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**

**ESSENTIAL INDICATOR**

**1. a. Number of affiliations with trade and industry chambers/ associations.**

10

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Plastindia Foundation	National
2	Organisation of Plastic Processors of India (OPPI)	National
3	Confederation of Indian Industries (CII)	National
4	Automotive Component manufacturers Association of India (ACMA)	National
5	Indian Plastic Federation (IPF)	National
6	Indian Institute of Packaging (IIP)	National
7	Tool & Gauge Mfgs. Association of India (TGMA)	National
8	Federation of Indian Export Organisation (FIEO)	National
9	Bureau of Indian standards (BIS)	National
10	Deccan Chamber of Commerce, Industries and Agriculture, Pune (DCCIA)	National

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

Company has not received any adverse order from the regulatory authority.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

**LEADERSHIP INDICATORS**

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
Not Applicable					

Supreme actively engages and maintains regular interactions with various government bodies, regulators, and legislative entities. Recognizing its responsibilities within the democratic setup and constitutional framework, Supreme operates in compliance with applicable laws and regulations. We have not advocated any public policy in FY23.

As a leading manufacturer of plastic products in India, Supreme actively participates in chambers and associations. The company ensures that its public communications and disclosures align with the Code of Conduct and principles outlined in the relevant regulatory framework.

Supreme adopts a constructive approach in policy and regulatory matters, prioritizing consensus, cooperation, compliance, persuasion, and meaningful discussions over conflicts. The company believes that policy advocacy should serve the broader public good and avoids advocating for policy changes that solely benefit itself or a select few in a partisan manner. Company is having policy on Responsible Advocacy with Public and Regulatory Bodies, same can be access at : <https://www.supreme.co.in/investor>.

**PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

**ESSENTIAL INDICATOR**

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

The company has not conducted any Social Impact Assessments (SIA). However, we recognize the importance of social impact assessments in understanding and addressing the potential social implications of our business activities.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

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

Our operations and expansion projects have not resulted in the displacement of any population or their livelihoods. As a result, we have not undertaken any Rehabilitation and Resettlement (R&R) activities.

S.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

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

All grievances are dealt in accordance with our stakeholder grievance redressal policy. Stakeholders can register their grievances via email, phone or in writing. All grievances are acknowledged by the concern stakeholder contact officer of the Company. The stakeholder contact officer is responsible for investigating the concern and may form a team for investigation, if required.

Based on findings from investigation, team creates an action plan outlining the steps to be taken to resolve the grievance. The team defines roles and responsibilities for assigning actions and monitoring the actions undertaken and ensures that timelines committed for implementing the action plan is adhered to.

The resolution and closure of the complaint is documented over an email providing stakeholder an opportunity to share their feedback on the resolution. In case, the stakeholder is not satisfied by the resolution provided, he/she may escalate his/her grievance to next level using the escalation matrix.

We also have internal procedures in place for implementing and monitoring compliance with stakeholder grievance redressal policy.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	1.99%	1.05%
Sourced directly from within the district and neighbouring districts	42.53%	38.81%

**LEADERSHIP INDICATORS**

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

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

S.No.	State	Aspirational District	Amount spent (In INR)
Not Applicable			

Supreme has been instrumental in commissioning significant CSR programmes especially in the areas of their operation. Nevertheless, none of the CSR projects implemented by Supreme are in the aspirational districts and hence this disclosure is not applicable.

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

No, we do not have a preferential procurement policy.

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

Considering nature of business and availability of raw materials, company procure raw materials from best available sources.

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

Not ascertained.

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge**

We have not engaged with any entity during the reporting period for deriving or sharing any benefits from the intellectual properties owned and acquired by us.

S.No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

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

Name of Authority	Brief of the Case	Corrective action taken
Not Applicable		

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

Please refer Annexure VII(A), VII(B) and VII(C) of Board Report regarding CSR Activities and Activities undertaken under Corporate Social Responsibility, forming part of Annual Report.

**PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER**

**ESSENTIAL INDICATOR**

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

We at Supreme Industries have established a comprehensive system to effectively address and resolve customer complaints. We value our customers' feedback and take their concerns seriously. When a complaint is received, it goes through a thorough analysis and resolution process.

The Regional Marketing Officer plays a crucial role in managing customer complaints. They collect and document the complaints and provide feedback to the respective product marketing head for further action. In cases involving quality issues, the Production Team collaborates with the Quality Department to analyse the nature of the complaint and implement necessary corrective measures.

To ensure transparency and accountability, we maintain a customer complaint register that is regularly updated once the necessary actions on the complaint are completed. We also provide multiple channels for customers to reach us, including a toll-free number and contact details available on our company website.

We strive to address customer complaints promptly and effectively, with the goal of continuously improving our products and services. Our commitment to customer satisfaction is reflected in our proactive approach to resolving issues and maintaining open lines of communication with our valued customers.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

**3. Number of consumer complaints in respect of the following:**

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	None	0	0	None
Advertising	0	0	None	0	0	None
Cyber-security	0	0	None	0	0	None
Delivery of essential services	0	0	None	0	0	None
Restrictive Trade Practices	0	0	None	0	0	None
Unfair Trade Practices	0	0	None	0	0	None
Other	49	0	Related to products and Bills, all these have been resolved	360	0	Related to products and Bills, all these have been resolved

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

	Number	Reasons for recall
Voluntary recalls	0	0
Forced recalls	0	0

During the fiscal year, Supreme Industries has maintained a strong track record in terms of product quality, as we have no cases of product recalls. This further reinforces our commitment to stringent quality control measures. We prioritize the safety and reliability of our products. Our dedicated team ensures that our products meet and set industry benchmarks for safe usage and handling.

In addition to our quality control efforts, we provide comprehensive information and guidelines to customers through various channels, including product material such as manuals, brochures, and packaging. These resources include clear and concise safe-use recommendations to promote proper usage and minimize any potential risks.

Throughout our value chain, we employ robust quality control tools and processes to minimize the occurrence of product recalls. In the event of any issues, we conduct thorough investigations to identify the root cause, whether it be a manufacturing problem or a design flaw. This allows us to address the issue effectively and implement corrective measures to prevent similar occurrences in the future. Our commitment to quality control is an ongoing endeavour, and we continuously evaluate and improve our practices to ensure the highest level of product quality and customer satisfaction.

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

Yes, we at Supreme, prioritize data privacy and cyber security as critical aspects of our operations. We have implemented comprehensive policies and procedures to safeguard customer data and ensure its confidentiality.

Our technical infrastructure and physical asset management practices are designed to meet industry standards and regulatory requirements for data protection. We recognize the importance of maintaining the integrity and security of sensitive information, and we have measures in place to prevent data loss, abuse, or unauthorized disclosure to third parties, including competitors and business partners.

We understand that any compromise of data privacy or cyber security can have significant repercussions for our business, both financially and legally. We remain vigilant in safeguarding sensitive information and upholding the highest standards of information security throughout our operations.

The policy can be accessed at: <https://www.supreme.co.in/investor>

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

No such cases were raised for FY 2023 and hence no corrective actions were taken. However, we take utmost care on safety of products/service and prioritize to educate customer on technical specifications, product usage and any health hazards/ precautionary measures associated with products.

## LEADERSHIP INDICATORS

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

We have provided detailed information on our products through our website which can be accessed at: <https://www.supreme.co.in>

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

Information pertaining to the usage of our products and their end-use applications is readily available through various channels. Our product catalogue, company website, and mobile app provide detailed information on how to effectively utilize our products.

To ensure proper usage of our Piping Systems, we conduct live demonstrations at our Knowledge Centre. These demonstrations are specifically designed for plumbers, architects, and distributors, enabling them to understand the correct installation and usage procedures.

For our furniture products, we provide Assembly Instructions Manuals for Knock Down furniture that require self-assembly. These manuals guide customers through the step-by-step assembly process, ensuring safe and proper usage of the furniture. In certain cases, we even offer on-site visits to customers' locations to demonstrate specific safety protocols associated with our products.

This personalized approach allows us to address any concerns and provide hands-on guidance to customers, ensuring they understand and follow the recommended safety practices. By providing comprehensive information, conducting live demonstrations, and offering personalized assistance, we strive to ensure that our customers have a clear understanding of how to use our products safely and effectively. Our commitment to customer satisfaction and safety remains a top priority.

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

We maintain regular communication with our customer group to provide updates and information related to our products and services. While our products and services do not fall under the category of essential services, we understand the importance of keeping our customers informed about any relevant developments or changes that may impact their experience with our offerings.

Through various channels such as newsletters, email updates, social media, and our website, we ensure that our customers have access to the latest information regarding our products, including any new features, enhancements, or changes to our services. We strive to provide clear and transparent communication to keep our customers well-informed and engaged.

By staying in touch with our customer base, we are able to address any questions, concerns, or inquiries they may have, and we value their feedback as it helps us improve and refine our products and services. Our commitment to communication and customer engagement is an integral part of our business philosophy, enabling us to build strong and lasting relationships with our customers.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

The Company ensures compliance with all applicable laws regarding the provision of necessary information on our products. We understand the importance of providing customers with comprehensive information to make informed decisions about our products and services.

As per the legal requirements, we provide all the necessary information on our product labels, packaging, and documentation. This includes details such as product specifications, usage instructions, safety precautions, and any other information mandated by regulatory authorities. We believe in transparency and strive to provide customers with a complete understanding of our products, their features, and their benefits. This may include supplementary information about environmental impact, or other relevant details that can assist customers in making well-informed choices.

To ensure continuous improvement and customer satisfaction, we actively seek feedback through customer satisfaction surveys and encourage open communication channels. Our channel partners play a vital role in this process as they maintain regular contact with customers, addressing their queries and concerns and ensuring transparent communication throughout the value chain. By fostering a culture of transparency and customer-centricity, we aim to build trust, strengthen relationships, and meet the evolving needs of our customers effectively.

**5. Provide the following information relating to data breaches:**

**a. Number of instances of data breaches along-with impact**

No instances of data breach were reported or observed for FY 2023.

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

No instances of data breach were reported or observed for FY 2023. We have implemented robust data security measures and protocols to safeguard the confidentiality, integrity, and availability of sensitive information. Our dedicated team continuously monitors and evaluates our systems to identify and address any potential vulnerabilities or threats. We prioritize data privacy and protection to ensure the trust and confidence of our customers and stakeholders.

## Independent Auditors' Report

To The Members of  
The Supreme Industries Limited

### Report on the Audit of Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of The Supreme Industries Limited ("the Company"), which comprises of Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information in which are included the financial statements of 23 manufacturing units, 28 – Depots, 7 Fabrication units and 6 offices located across India [hereinafter referred to as "Branches"] for the year ended on that date audited by 8 branch auditors.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the 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 standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us and the audit evidence obtained by branch auditors in terms of their report referred to in the other matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

#### Information Other than the Standalone Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Board's Report including Annexures to the Board report and Management Discussion and Analysis but does not include the standalone financial statement and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

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

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

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

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

### **Other Matters:**

We did not audit the financial statements of branches included in the standalone financial statements of the Company whose financial statements reflect the total assets of ₹ 2,580.96 crores as at March 31, 2023 (₹ 3,268.37 crores as at March 31, 2022) and total revenue of ₹ 5,820.26 crores for the year ended on that date (₹ 7,469.79 crores for the year ended March 31, 2022). The financial statements

of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion on the standalone financial statement and our report on the other legal and regulatory requirements below is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. Pursuant to the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.
  - (c) The reports on the financial statements of branches of the Company audited under Section 143(8) of the Act by eight firms of independent auditors have been sent to us and have been properly dealt with by us in preparing this report.
  - (d) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (f) On the basis of the written representation received from the directors as on March 31, 2023 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a Directors in terms of Section 164(2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B".
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- (i) With respect to the matters to be included in the Auditor's report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial performance in its standalone financial statements. [Refer note no 37 to standalone financial statements]
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv.
    - a) The management has represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b) The management has represented, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement. (Refer note no. 46 to the standalone financial statement)
  - v.
    - a) The final dividend for the year 2021-22 paid by the Company during the year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
    - b) The interim dividend declared and paid by the Company during the year is in accordance with the Section 123 of the Act.



- c) As stated in the note 33(B) to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year 2022-23 which is subject to the approval of the members at the ensuing annual general meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to the declaration of dividend.

For **LODHA & COMPANY**  
*Chartered Accountants*  
Firm registration No. – 301051E

**A. M. Hariharan**  
*Partner*  
Membership No. 38323  
UDIN: 23038323BGYEMZ9551

Place : Mumbai  
Date : April 28, 2023

## Annexure A to the Independent Auditors' Report

**ANNEXURE "A" REFERRED TO IN "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" SECTION OF OUR AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF THE SUPREME INDUSTRIES LIMITED ON THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023:**

- i. a. In respect of Company's Property, Plant and Equipment (PPE) and Intangible Assets:
  - A. The Company has maintained proper records, showing full particulars, including quantitative details and situation of PPE and relevant details of right-to-use assets.
  - B. The Company has maintained proper records showing full particulars of intangible assets.
- b. As explained to us, the Company has a phased program for physical verification of the PPE for all locations. In our opinion, the frequency of verification is reasonable considering the size of the Company and nature of its PPE. Physical verification of the assets has been carried out during the year pursuant to the programme in that respect. According to the information and explanations given to us and on the basis of our examination of the records, no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the financial statements included under property, plant and equipment, other than properties where the company is lessee and lease agreements are duly executed in favour of the Company, are held in the name of the Company except the following:

Description of Property	Gross carrying amount (₹ in Crores)	Held in the name of	Whether promoter, director or their relative or employee	Period held: indicate a range, where appropriate	Reason for not being held in the name of Company
Free Hold land, non-Agricultural 1.14 Hector, Gat No. 242/1 & 2 of Mehrun Shivar back side of MIDC, Jalgaon	0.05	Mr. Shivratna Jeetmal Taparia	Director	Purchased on 27/03/1987 i.e., since last 35 years	We have been informed that Company has obtained deed of declaration from the directors, mentioning they have no right on these properties.
Free Hold land, Agricultural 0.86 Hector, Gat No. 244/2, 3, 4 & 5 of Mehrun Shivar back side of MIDC, Jalgaon	0.38	Mr. Mahavir Prasad Surajmal Taparia	Director	Purchased on 17/12/2004 i.e., since last 18 years	Further due to some procedural/technical issues both the properties are still not transferred in the name of the Company.

- d. The Company has not revalued any of its PPE (including right- of-use assets) and intangible assets during the year and hence reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- e. In our opinion and according to the information and explanations given to us, neither any proceedings have been initiated during the year nor are pending as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder and hence reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- ii. a. The inventories have been physically verified by the management at reasonable intervals during the year, except for goods in transit and those lying with third parties. The coverage and procedure of physical verification of the inventories followed by the management is reasonable and adequate in relation to the size of the Company and nature of its business. As per the information and explanations given to us and on the basis of our examination of the records, no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification of inventories as compared to book records.
- b. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not been sanctioned working capital limit in excess of ₹ 5 crores on the basis of security of current assets, in aggregate, at any point of time during the year from banks and financial institutions and hence reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. In respect of 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 or any other parties:
  - (a) The Company has not provided any loans or advances in the nature of loans or guarantee or provided security to any other entity and hence reporting under clause 3(iii)(a) is not applicable to the Company.
  - (b) According to the information and explanations given to us, investment made are in the ordinary course of business and accordingly in our opinion, prima facie, not prejudicial to the Company's interest. The Company has not provided any guarantees, given any security and the terms and granted any loans and advances in the nature of loans and guarantee.
  - (c) The Company has not granted any loans or advances in the nature of loans and hence reporting under clauses 3(iii)(c), (d), (e) and (f) of the Order is not applicable to the Company.

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, to the extent applicable with respect to the investments made during the year. The Company has not provided any loans, guarantees and securities to parties covered under section 185 and 186 of the Act.
- v. In our opinion and according to the information and explanations given to us, no deposits or amounts which are deemed to be deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 have been accepted by the Company and hence reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to rules made by the central government for the maintenance of cost records under sub section 1 of Section 148 of the Act in respect of company's certain products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income tax, sales tax, custom duty, duty of excise, value added tax, cess and other statutory dues during the year with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues mentioned in clause vii (a) which have been not deposited on account of any dispute except the following:

Name of the statute	Nature of dues	Amount ₹ in Crores	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty and Penalty	40.81	2000-01 to 2016-17	Custom Excise & Service Tax Appellate Tribunal (CESTAT)
The Central Sales Tax Act, 1956 and Sales Tax / VAT / Entry Tax /GST- Acts of various states	Sales Tax / VAT / GST and Entry Tax	14.56	Various years from 2000-01 to 2016-17	Joint / Deputy Commissioner / Commissioner (Appeals)
		0.97	July 2017 to March 2020	Commissioner (Appeals)
		1.30	Various Years from 2002-03 to 2015-16	Sales tax Appellate Tribunal
		1.88	Various Years from 2002-03 to 2012-13	High Court
Maharashtra Land Revenue Code 1966	Royalty	0.28	2006-07	Collector - Pune
Maharashtra Land Revenue Code 1966	Royalty on sand	0.17	2020-21	Collector Khalapur Raigad
Local Authority (ADD A)	Development Fee	0.75	2009-10	ADD A
The Employee' Provident Funds & Miscellaneous Provision Act,1952	Provident Fund	0.05	2002-03 to 2005-06	The Regional Provident Fund Commissioner-Gwalior
Employee State Insurance Act-1948	ESIC	0.24	2007-08 to 2010-11	Regional Director Indore

- viii. According to the information and explanations given to us and on the basis of our examination of the records, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence reporting under clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) Based on our audit procedures and on the basis of information and explanations given to us and on the basis of our examination of the records, the Company does not have any loans/ other borrowings and hence reporting under clause 3(ix) of the Order is not applicable to the Company.
- (b) The Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, the Company has not taken any term loan and hence reporting under clause 3(ix)(c) of the Order is applicable to the Company.
- (d) On an overall examination of the standalone financial statements, in our opinion the Company has not raised any short-term fund during the year and hence reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) Based on our audit procedures and on the basis of information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture and hence reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) Based on our audit procedures and on the basis of information and explanations given to us, during the year the Company has not raised any funds on the pledge of securities held in its subsidiaries, joint venture and associates and hence reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of Initial public offer or further public offer (including debt instrument) during the year and hence 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 based on our examination of the records of the Company, the Company has not made any preferential allotment, private placement of shares or fully or partly convertible debentures during the year or in the recent past and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- (b) During the year, no report under sub section 12 of Section 143 of the Act has been filed in Form ADT-4 as prescribed in Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based on our audit procedure performed and according to the information and explanations given to us, no whistle blower complaints were received by the Company during the year and hence reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with related parties are in compliance with Section 177 and 188 of the Act and all the details have been disclosed in the standalone financial statements as required by the applicable Accounting Standard. (Refer note no. 39 to the standalone financial statements)
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports for the year under audit issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedure.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year.
- xvi. (a) The Company neither required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 nor carrying out any non-banking financial or housing finance activities and hence reporting under clause 3(xvi) (a) and (b) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the Company is neither a Core Investment Company (CIC) nor there is any core investment company within the "Companies in the Group" as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence reporting under clause 3(xvi) (c) and (d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses during the financial year covered by our audit and immediately preceding financial year.
- xviii. There has been no resignation by the statutory auditors of the Company during the year and hence reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the 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, there are no amounts unspent in respect of corporate social responsibility towards ongoing or other than ongoing projects and hence reporting under clause 3(xx) (a) and (b) 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 the audit of Standalone Financial Statements and hence no comment in respect of the said clause has been included in this report.

For **LODHA & COMPANY**  
Chartered Accountants  
Firm registration No. – 301051E

**A.M. Hariharan**  
Partner  
Membership No. 38323  
UDIN: 23038323BGYEMZ9551

Place : Mumbai  
Date : April 28, 2023

## Annexure B to the Independent Auditors' Report

ANNEXURE "B" REFERRED TO IN "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" SECTION OF OUR AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF THE SUPREME INDUSTRIES LIMITED ON THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

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

We have audited the internal financial controls over financial reporting of The Supreme Industries Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by branch auditors in terms of their report referred to in the other matters section above is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the entity are being made only in accordance with authorisations of management; (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity's assets that could have a material effect on the standalone financial statements; and (4) also provide reasonable assurance by the internal auditors through their internal audit reports given to the organisation from time to time.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, broadly, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential Component 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 **LODHA & COMPANY**  
*Chartered Accountants*  
Firm registration No. – 301051E

**A.M. Hariharan**  
*Partner*  
Membership No. 38323  
UDIN: 23038323BGYEMZ9551

Place : Mumbai  
Date : April 28, 2023

**Balance Sheet as at 31<sup>st</sup> March, 2023**

₹ in Crores

PARTICULARS	Note	As at 31-Mar-23	As at 31-Mar-22
<b>ASSETS</b>			
<b>(1) NON - CURRENT ASSETS</b>			
(a) Property, plant & equipment	2	1976.43	1682.11
(b) Capital work-in-progress	3	83.71	154.59
(c) Intangible assets	4	5.45	6.44
(d) Intangible assets under development	4A	-	1.18
(e) Right to use - Lease	5	82.36	78.73
(f) Financial assets			
(i) Investment in associate & subsidiary	6	16.20	16.20
(ii) Other investments	6	6.10	5.67
(iii) Deposits	7	27.81	22.41
(iv) Loans	8	1.69	1.17
(g) Other non-current assets	10	60.74	98.05
<b>TOTAL NON - CURRENT ASSETS</b>		<b>2260.49</b>	<b>2066.55</b>
<b>(2) CURRENT ASSETS</b>			
(a) Inventories	11	1385.64	1260.16
(b) Financial assets			
(i) Trade receivables	12	491.75	466.76
(ii) Cash & cash equivalents	13	737.68	517.54
(iii) Other bank balances	14	7.56	7.36
(iv) Deposits	7	0.97	1.86
(v) Loans	8	1.94	4.04
(vi) Other financial assets	9	2.32	19.00
(c) Income tax assets (net)	22	7.68	15.42
(d) Other current assets	10	241.56	181.67
<b>TOTAL CURRENT ASSETS</b>		<b>2877.10</b>	<b>2473.81</b>
<b>TOTAL ASSETS</b>		<b>5137.59</b>	<b>4540.36</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	15	25.41	25.41
Other equity	16	3819.35	3362.53
<b>TOTAL EQUITY</b>		<b>3844.76</b>	<b>3387.94</b>
<b>LIABILITIES</b>			
<b>(1) NON - CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Deposits	17	2.32	4.03
(ii) Lease liabilities		36.72	39.04
(b) Provisions	18	26.35	24.39
(c) Deferred tax liabilities (net)	30	90.81	90.44
<b>TOTAL NON - CURRENT LIABILITIES</b>		<b>156.20</b>	<b>151.15</b>
<b>(2) CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Trade payables	19		
Dues of micro, small and medium enterprises		4.74	22.15
Dues of creditors other than micro, small and medium enterprises		899.92	772.94
(ii) Deposits	17	5.17	1.68
(iii) Lease liabilities		14.45	13.39
(iv) Other financial liabilities	20	79.50	49.14
(b) Other current liabilities	21	124.35	134.37
(c) Provisions	18	8.50	7.60
<b>TOTAL CURRENT LIABILITIES</b>		<b>1136.63</b>	<b>1001.27</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5137.59</b>	<b>4540.36</b>
<b>Significant Accounting Policies.</b>	1-47		
<b>The accompanying notes are an integral part of the Standalone financial statements</b>			

As per our attached report of even date For and on behalf of the Board

For **LODHA & COMPANY**  
Chartered Accountants  
FRN – 301051E

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

**M. P. Taparia**  
Managing Director  
(DIN No. 00112461)

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

**V. K. Taparia**  
Executive Director  
(DIN No. 00112567)

**A.M. Hariharan**  
Partner

**R. M. Pandia**  
Director  
(DIN No. 00021730)

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

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

**Sarthak Behuria**  
Director  
(DIN No. 03290288)

Mumbai, 28<sup>th</sup> April, 2023

**P. C. Somani**  
Chief Financial Officer

**R. J. Saboo**  
VP (Corporate Affairs) & Company Secretary

## Statement of Profit and Loss for the year ended on 31<sup>st</sup> March, 2023

₹ in Crores

PARTICULARS	Note	2022 – 2023		2021 – 2022	
<b>INCOME</b>					
Revenue from operations	23	<b>9201.49</b>		7772.81	
Other income	24	<b>81.86</b>	<b>9283.35</b>	67.70	7840.51
<b>EXPENDITURE</b>					
Cost of materials consumed	25	<b>6424.60</b>		5428.93	
Purchase of stock-in-trade		<b>128.81</b>		136.50	
Changes in inventories of finished goods, Semi finished goods and stock-in-trade	26	<b>45.83</b>		(212.27)	
Employee benefits expenses	27	<b>373.63</b>		344.30	
Finance costs	28	<b>8.02</b>		5.15	
Depreciation and amortisation expense	2, 4, 5	<b>263.39</b>		229.52	
Other expenses	29	<b>1028.64</b>	<b>8272.92</b>	833.16	6765.29
<b>PROFIT BEFORE TAX</b>			<b>1010.43</b>		1075.22
<b>TAX EXPENSES</b>					
Current tax	30	<b>245.60</b>		264.81	
Deferred tax (credit)/charge		<b>0.36</b>	<b>245.96</b>	(1.48)	263.33
<b>PROFIT AFTER TAX</b>			<b>764.47</b>		811.89
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Re-measurement of defined employee benefit plans			<b>(3.72)</b>	(1.25)	
Income tax relating to Re-measurement of defined employee benefit plans		<b>0.94</b>	<b>(2.78)</b>	0.31	(0.94)
<b>TOTAL COMPREHENSIVE INCOME</b>			<b>761.69</b>		810.95
<b>EARNINGS PER SHARE</b>					
Basic & diluted earning per share (In ₹)	36		<b>60.18</b>		63.91
(Face value of ₹ 2 each)					
<b>Significant Accounting Policies</b>	1-47				
<b>The accompanying notes are an integral part of the Standalone financial statements</b>					

As per our attached report of even date For and on behalf of the Board

For **LODHA & COMPANY**

Chartered Accountants  
FRN – 301051E

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

**M. P. Taparia**  
Managing Director  
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(DIN No. 02654277)

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

**Sarthak Behuria**  
Director  
(DIN No. 03290288)

Mumbai, 28<sup>th</sup> April, 2023

**P. C. Somani**  
Chief Financial Officer

**R. J. Saboo**  
VP (Corporate Affairs) & Company Secretary



## Cash Flow Statement for the year ended on 31<sup>st</sup> March, 2023

₹ in Crores

PARTICULARS	2022 – 2023	2021 – 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	1010.43	1075.22
<b>Adjustments to reconcile profit before tax to cashflows :</b>		
Depreciation and amortisation expense	263.39	229.52
Interest expenses	8.02	5.06
Provision for doubtful debts/Bad debts	1.31	0.04
Foreign currency exchange fluctuation	17.10	16.50
Share of profit in partnership firm	(0.41)	(0.28)
Dividend received from an associate	(52.09)	(47.75)
Interest income	(1.66)	(0.92)
Excess liabilities written back	(14.42)	(8.30)
(Profit)/Loss on sale of liquid mutual funds	(23.40)	(9.37)
(Profit) /Loss on sale of property, plant & equipments	(1.80)	(2.98)
(Profit) /Loss on sale of investments	-	(5.40)
Fair value adjustments	(0.62)	(0.42)
Operating profit before working capital changes	1205.85	1250.92
<b>Adjustments for :</b>		
<b>Change in working capital</b>		
(Increase)/decrease in inventories	(125.48)	(499.40)
(Increase)/decrease in trade receivable	(26.30)	(76.71)
(Increase)/decrease in other assets	(22.01)	(27.04)
Increase/(decrease) in trade payables	107.74	142.66
Increase/(decrease) in other liabilities	(10.95)	(32.70)
Cash generated from operations	1128.85	757.73
Direct taxes paid (net of refund)	(237.46)	(286.75)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES ( A )</b>	<b>891.39</b>	<b>470.98</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment	(423.93)	(469.94)
Sale of property, plant & equipment	2.50	3.89
Proceeds from sale of non-current investments	-	5.42
Purchase of liquid mutual funds	(2565.93)	(2265.54)
Sale of liquid mutual funds	2584.75	2274.01
Interest received	1.66	0.92
Dividend received from an associate	52.09	47.75
<b>NET CASH USED IN INVESTING ACTIVITIES ( B )</b>	<b>(348.86)</b>	<b>(403.49)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of long term borrowings (Refer Note 41)	-	(0.70)
Increase/(Decrease) in short term borrowings (Refer Note 41)	-	(0.35)
Interest paid	(1.48)	(1.00)
Payment of lease liabilities	(20.62)	(16.08)
Dividend paid	(304.87)	(292.18)
<b>NET CASH USED IN FINANCING ACTIVITIES ( C )</b>	<b>(326.97)</b>	<b>(310.31)</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>215.56</b>	<b>(242.82)</b>
Opening balance at beginning of the year	517.54	759.46
Effect of fair value of Liquid mutual funds	4.58	0.90
Closing balance at end of the year	737.68	517.54
<b>Significant Accounting Policies</b>	1-47	
The accompanying notes are an integral part of the Standalone financial statements		

As per our attached report of even date For and on behalf of the Board

For **LODHA & COMPANY**  
Chartered Accountants  
FRN – 301051E

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

**M. P. Taparia**  
Managing Director  
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**R. Kannan**  
Director  
(DIN No. 00380328)

**Sarthak Behuria**  
Director  
(DIN No. 03290288)

Mumbai, 28<sup>th</sup> April, 2023

**P. C. Somani**  
Chief Financial Officer

**R. J. Saboo**  
VP (Corporate Affairs) & Company Secretary

**Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2023**

₹ In Crores

<b>EQUITY SHARE CAPITAL :</b>	<b>Paid up capital (Refer Note 15)</b>
Balance as at 1st April, 2021	25.41
Changes in equity share capital during the year	-
Changes in Equity Share Capital due to prior period errors	-
Balance as at 31st March, 2022	25.41
Changes in equity share capital during the year	-
Balance as at 31st March, 2023	25.41

<b>OTHER EQUITY :</b>	<b>Reserves and Surplus</b>					<b>Accumulated Other Comprehensive Income</b>	<b>Total</b>
	<b>Capital reserve</b>	<b>Securities premium</b>	<b>Capital redemption reserve</b>	<b>General reserve</b>	<b>Retained earnings</b>	<b>Actuarial gains/ (losses)</b>	
<b>Balance as at 1st April, 2021</b>	<b>2.45</b>	<b>47.49</b>	<b>2.22</b>	<b>2587.71</b>	<b>215.96</b>	<b>(12.07)</b>	<b>2843.76</b>
Profit for the year					811.89		811.89
Remeasurements of net defined benefit plans (Net of Taxes)						(0.94)	(0.94)
Final dividend paid for FY 2020-21					(215.96)		(215.96)
Interim dividend paid for FY 2021-22					(76.22)		(76.22)
Transfer to general reserve					(507.02)		(507.02)
Transfer from Statement of profit & loss				507.02			507.02
<b>Balance as at 31st March, 2022</b>	<b>2.45</b>	<b>47.49</b>	<b>2.22</b>	<b>3094.73</b>	<b>228.65</b>	<b>(13.01)</b>	<b>3362.53</b>
Profit for the year					764.47		764.47
Transfer to retained earnings	(2.45)				2.45		
Remeasurements of net defined benefit plans (Net of Taxes)						(2.78)	(2.78)
Final dividend paid for FY 2021-22					(228.65)		(228.65)
Interim dividend paid for FY 2022-23					(76.22)		(76.22)
Transfer to general reserve					(436.65)		(360.43)
Transfer from Statement of profit & loss				436.65			360.43
<b>Balance as at 31st March, 2023</b>	<b>-</b>	<b>47.49</b>	<b>2.22</b>	<b>3531.38</b>	<b>254.05</b>	<b>(15.79)</b>	<b>3,819.35</b>

**Significant Accounting Policies**

1-47

The accompanying notes are an integral part of the Standalone financial statements

As per our attached report of even date For and on behalf of the Board

For **LODHA & COMPANY**  
Chartered Accountants  
FRN – 301051E

**B. L. Taparia**  
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Mumbai, 28<sup>th</sup> April, 2023

**P. C. Somani**  
Chief Financial Officer

**R. J. Saboo**  
VP (Corporate Affairs) & Company Secretary

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

### 1. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 COMPANY OVERVIEW:

The Supreme Industries Limited ("the Company") is public limited company incorporated and domiciled in India and has registered office at 612, Raheja Chambers, Nariman Point, Mumbai 400021. It is incorporated under the Indian Companies Act, 1913 and its shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange in India.

The Company is one of the leading plastic products manufacturing company in India having 28 manufacturing facilities spread across the country, offering a wide and comprehensive range of plastic products in India. The company operates in various product categories viz. Plastic Piping System, Cross Laminated Films & Products, Protective Packaging Products, Industrial Moulded Components, Moulded Furniture, Storage & Material Handling Products, Performance Packaging Films and Composite LPG Cylinders.

The standalone financial statements are approved for issue by the Company's Board of Directors on 28<sup>th</sup> April, 2023.

#### 1.2 BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements are prepared and presented on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- Certain financial assets and liabilities are measured at Fair value and derivative financial instruments (Refer accounting policy on financial instruments - Refer Note 1.10 below)
- Defined Benefit and other Long-term Employee Benefits - Refer Note 1.12 below

##### **Rounding off**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores.

#### 1.3 USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

##### **Current and non-current classification**

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (not exceeding twelve months) and other criteria set out in Schedule III to the Companies Act, 2013.

Areas involving critical estimates and Judgements are:

- Estimation of employee defined benefit obligations (Refer Note 1.12 below)
- Estimation of current tax expenses (Refer Note 1.15 below)
- Estimation of provisions and contingent liabilities (Refer Note 1.17 below)

#### 1.4 PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS

##### **Property, Plant and Equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Costs include freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, 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 derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

##### **Intangible Assets**

Intangible assets are held on the balance sheet at cost less accumulated amortisation and impairment losses. Intangible assets developed or acquired with finite useful life are amortized on straight line basis over the useful life as specified below:

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

Category	Useful Life
Computer Software and Licenses	3 to 5 years
Right to Use	5 years

### Capital Work-in-progress and Pre-operative Expenses during Construction Period

Capital Work-in-Progress includes expenditure during construction period incurred on projects under implementation treated as pre-operative expenses pending allocation to the assets. These expenses are apportioned to the respective fixed assets on their completion / commencement of commercial production.

### Depreciation/amortisation:

Depreciation is provided on the straight-line method applying the useful lives as prescribed in part C of Schedule II to the Companies Act, 2013. The range of estimated useful lives of Property, Plant & Equipment's are as under:

Category	Useful Life
Buildings (including roads)	3- 60 Years
Plant & Equipment*	7- 18 Years
Moulds & Dies*	2- 6 Years
Furniture & Fixture	10 Years
Office Equipment	3 - 5 Years
Vehicles	2 - 10 Years

\* Useful life of Plant & Equipment of Plastic Piping System Division, Protective Packaging Division and Cross Laminated Film Division and Moulds and Dies are determined based on the internal assessment supported by independent technical evaluation carried out by external valuers.

The management believes that the useful life as given above the best represent the period over which the management expects to use these assets. The Company reviews the useful lives and residual value at each reporting date.

Depreciation on assets added/sold or discarded during the year is being provided on pro-rata basis up to the date on which such assets are added/sold or discarded. Leasehold Land is amortized over the period of lease.

Assets costing up to ₹ 10,000 each are depreciated fully in the year of purchase.

Gains/Losses on disposals/de-recognition of property, plant and equipment are determined by comparing proceeds with carrying amount and these are recognized in statement of profit & Loss.

### Assets held for sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met:

- (i) decision has been made to sell.
- (ii) the assets are available for immediate sale in its present condition.
- (iii) the assets are being actively marketed and
- (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

## 1.5 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the Company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

## 1.6 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company recognizes revenue, when or as control over distinct goods or services is transferred to the customer; i.e. when the customer is able to direct the use of the transferred goods or services and obtains substantially all of the remaining benefits, provided a contract with enforceable rights and obligations exists and amongst others collectability of consideration is probable taking into account customer's creditworthiness.

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

Revenue is the transaction price the Company expects to be entitled to. In determining the transaction price, the Company considers effects of variable consideration, the existence of significant financing contracts, noncash consideration and consideration payable to the customer, if any.

### Variable Consideration

If the consideration in a contract includes a variable amount, the company estimates the amount of consideration to which it will be entitled to in exchange for transferring goods to the customer. Some contracts with the customers provide them with a right to return and volume rebates. The right to return and volume rebates gives rise to variable consideration. The amount of variable consideration is calculated by either using the expected value or the most likely amount depending on which is expected to better predict the amount of variable consideration.

**Sale of goods:** Revenues are recognized at a point in time when control of the goods passes to the buyer, usually upon either at the time of dispatch or delivery. In case of export sale, it is usually recognised based on the shipped-on board date as per bill of lading. Revenue from sale of goods is net of taxes.

**Sale of services:** Revenues are recognized over time on a straight-line basis or, if the performance pattern is other than straight-line, as services are provided/rendered.

**Other operating income:** - Export Incentive under various schemes are accounted in the year of export.

### Other Income

Dividend income on investments is recognised when the right to receive dividend is established.

Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest. For all financial instruments measured at amortised cost, interest income is recorded using the Effective interest rate method to the net carrying amount of the financial assets.

## 1.7 CONTRACT BALANCES

### Trade Receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only a passage of time is required to before payment of the consideration is due).

### Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the company transfer goods and services to the customer, a contract liability is recognised when the payment is made or the payment is due, whichever is earlier. Contract liabilities are recognised as revenue when the company performs under the contract.

## 1.8 GOVERNMENT GRANTS

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset.

In case a non-monetary asset is given free of cost it is recognised at a fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is recognized as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

## 1.9 INVENTORIES

Inventories includes raw material, semi finished goods, stock -in -trade, finished goods, stores & spares, consumables, packing materials, goods for resale and material in transit are valued at lower of cost and net realizable value.

**Raw Material and Components** - Cost include cost of purchases and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using weighted average basis.

**Finished/Semi-Finished Goods** - Cost includes cost of direct material, labor, other direct cost (Including variable costs) and a proportion of fixed manufacturing overheads allocated based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average basis.

**Stock-in-trade** - Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and conditions.

**Stores, Spare Parts, Consumables, Packing Materials etc.** - cost is determined on weighted average basis.

**Goods for Resale** - cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

Adequate allowance is made for obsolete and slow-moving items.

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

### 1.10 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 - Initial recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

#### Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (i) the entity's business model for managing the financial assets and
- (ii) the contractual cash flow characteristics of the financial asset.

#### (a) Measured at amortised cost:

A financial asset is measured at amortised cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortised cost is calculated using the effective interest rate ("EIR") method 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 in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised to Statement of Profit and Loss.

#### (b) Measured at fair value through other comprehensive income (FVOCI):

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which is recognised using EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

#### (c) Measured at fair value through profit or loss (FVTPL):

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

#### Equity Instruments:

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL.

For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised in Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in the OCI. Amounts recognised in Other Comprehensive Income (OCI) are not subsequently transferred to Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in Statement of Profit and Loss.

#### Impairment

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing Branch and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

For financial assets other than trade receivables, the Company recognises 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

Impairment loss allowance including ECL or reversal recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The impairment loss is presented as an allowance in the balance sheet as a reduction from the net carrying amount of the trade-receivable, loan, deposits and lease receivable respectively.

### De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### Financial Liabilities

#### Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

#### Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

#### Loans & Borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization 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 or loss.

#### Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

#### De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### Derivative financial instruments & hedge accounting

The Company uses derivative financial instruments, such as forward foreign exchange contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Company designates their derivatives as hedges of foreign currency risk associated with the cash flows of highly probable forecast transactions and variable interest rate risks associated with the borrowings.

The Company documents at the inception of hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset cash flow of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transaction at the inception of each hedge relationship.

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

### Cash flows hedge that qualify for the hedge accounting

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit & loss, except for the effective portion of cash flow hedge which is recognized in other comprehensive income and presented as separate Branch of equity which is later reclassified to statement of profit & loss when the hedge item affects profit & loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are off-set, and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### 1.11 FAIR VALUE MEASUREMENT

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 1.12 EMPLOYEE BENEFITS

The Company has provides following post-employment plans such as:

- (a) Defined benefit plans such a gratuity and
  - (b) Defined contribution plans such as Provident fund & Superannuation fund
- a) Defined-benefit plan:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (b) Net interest expense or income

Re-measurement comprising of actuarial gains and losses arising from:

- (a) Re-measurement of Actuarial(gains)/losses
- (b) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling



## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

### b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

### c) Other employee benefits:

- (i) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.
- (ii) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.
- d) Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss as and when incurred.
- e) Other benefits comprising of discretionary long service awards are recognized as and when determined.

## 1.13 LEASES

### As a Lessee:

The Company's lease asset classes primarily consist of leases for land, buildings and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### As a Lessor:

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

### 1.14 FOREIGN CURRENCY TRANSACTIONS

**a) Functional and Presentation currency**

The Financial statements are presented in Indian Rupees (INR), which is Company's functional and presentation currency.

**b) Initial Recognition**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

**c) Measurement of Foreign Currency Items at the Balance Sheet Date**

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in the fair value of the item. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

### 1.15 TAXES ON INCOME

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

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 items directly recognized in equity or in other comprehensive income. In this case, the tax expense is also recognized in other comprehensive income or directly in equity, as the case may be.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items, that are never taxable or tax deductible. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing and applicable for the relevant assessment year.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The Company offsets, the tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

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

### 1.16 RESEARCH AND DEVELOPMENT EXPENDITURE

Research costs are expensed as incurred. Product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, further economic benefits are probable, the Company has an intention and ability to complete and use or sell the product and the costs can be measured reliably.

### 1.17 PROVISIONS AND CONTINGENCIES

A provision is recognised when there is a present legal or constructive obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made where there is a possible obligation arising out of past event, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation arising out of past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

### 1.18 CASH AND CASH EQUIVALENTS

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

### 1.19 CASH FLOW STATEMENT

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

### 1.20 BORROWING COST

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

### 1.21 EARNINGS PER SHARE

Basic EPS is arrived at based on net profit after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

### 1.22 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

The Company has identified its Managing Director as CODM who is responsible for allocating resources and assessing performance of the operating segments and makes strategic decisions.

### 1.23 EXCEPTIONAL ITEMS

When an item of income or expense within profit or loss from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

### 1.24 CASH DIVIDEND

The Company recognizes a liability to pay dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company i.e. when the dividend distribution is being approved by the shareholders. A corresponding amount is recognized directly in equity.

### 1.25 RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

- (a) Ind AS 1 – Presentation of Financial Statements - The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.
- (b) Ind AS 12 – Income Taxes – The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the Initial recognition exemption of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. Accordingly, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial recognition of a lease and a decommissioning provision.
- (c) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates". Accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company is evaluating the impact, if any, in its financial statements and does not expect to have these amendments to have any significant impacts in its financial statements.

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### 2 PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Plant and Equipment	Moulds and Dies	Furniture and Fixtures	Vehicles	Office Equipment	Total
<b>Gross carrying amount</b>								
Balance as at 1 <sup>st</sup> April, 2022	76.05	818.84	1957.50	548.12	38.77	4.76	44.16	3488.20
Additions	-	112.62	349.77	65.29	3.57	0.60	5.52	537.37
Deductions/ Adjustment	-	0.06	12.61	4.21	0.22	0.62	0.88	18.60
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>76.05</b>	<b>931.40</b>	<b>2294.66</b>	<b>609.20</b>	<b>42.12</b>	<b>4.74</b>	<b>48.80</b>	<b>4006.97</b>
<b>Accumulated Depreciation</b>								
Balance as at 1 <sup>st</sup> April, 2022	-	230.78	1101.91	407.89	25.95	3.68	35.88	1806.09
Additions	-	29.02	160.15	45.02	2.68	0.51	4.97	242.35
Deductions/ Adjustment	-	0.03	12.13	4.06	0.19	0.62	0.87	17.90
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>-</b>	<b>259.77</b>	<b>1249.93</b>	<b>448.85</b>	<b>28.44</b>	<b>3.57</b>	<b>39.98</b>	<b>2030.54</b>
<b>Net carrying amount as at 1<sup>st</sup> April, 2022</b>	<b>76.05</b>	<b>588.06</b>	<b>855.59</b>	<b>140.23</b>	<b>12.82</b>	<b>1.08</b>	<b>8.28</b>	<b>1682.11</b>
<b>Net carrying amount as at 31<sup>st</sup> March, 2023</b>	<b>76.05</b>	<b>671.63</b>	<b>1044.73</b>	<b>160.35</b>	<b>13.68</b>	<b>1.17</b>	<b>8.82</b>	<b>1976.43</b>
<b>Gross carrying amount</b>								
Balance as at 1 <sup>st</sup> April, 2021	75.70	763.15	1815.47	507.24	37.20	5.19	41.53	3245.48
Additions	0.35	56.41	152.56	42.16	1.59	0.24	4.88	258.19
Deductions/ Adjustment	-	0.72	10.53	1.28	0.02	0.67	2.25	15.47
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>76.05</b>	<b>818.84</b>	<b>1957.50</b>	<b>548.12</b>	<b>38.77</b>	<b>4.76</b>	<b>44.16</b>	<b>3488.20</b>
<b>Accumulated Depreciation</b>								
Balance as at 1 <sup>st</sup> April, 2021	-	204.38	979.33	365.82	23.56	3.51	32.72	1609.32
Additions	-	26.67	132.76	43.25	2.40	0.84	5.41	211.33
Deductions/ Adjustment	-	0.27	10.18	1.18	0.01	0.67	2.25	14.56
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>-</b>	<b>230.78</b>	<b>1,101.91</b>	<b>407.89</b>	<b>25.95</b>	<b>3.68</b>	<b>35.88</b>	<b>1806.09</b>
<b>Net carrying amount as at 1<sup>st</sup> April, 2021</b>	<b>75.70</b>	<b>558.77</b>	<b>836.14</b>	<b>141.42</b>	<b>13.64</b>	<b>1.68</b>	<b>8.81</b>	<b>1636.16</b>
<b>Net carrying amount as at 31<sup>st</sup> March, 2022</b>	<b>76.05</b>	<b>588.06</b>	<b>855.59</b>	<b>140.23</b>	<b>12.82</b>	<b>1.08</b>	<b>8.28</b>	<b>1682.11</b>

#### NOTES

- Leasehold land under varying lease arrangement for period ranging from 30-99 years.
- Title deeds of Immovable Properties not held in name of the Company are:

Balances As at	Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is promoter or director	Property held since which date	Reason for not being held in the name of the company
31 <sup>st</sup> March, 2023	Property, plant & equipment	Free Hold Land	0.05	Shivratan Jitmal Taparia	Executive Director	27th March, 1987	The Company has obtained deed of declaration from the directors, mentioning they have no right on these properties.
& 31 <sup>st</sup> March, 2022	Property, plant & equipment	Free Hold Land	0.38	Mahavir Prasad Taparia	Managing Director	17th December, 2004	Further due to some procedural/technical issue the properties are still not transferred in the name of the company.

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### 3 CAPITAL WORK-IN-PROGRESS

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Buildings	10.48	38.48
Plant and equipment	65.85	99.88
Moulds & dies	5.07	9.39
Other assets	0.73	0.23
Project expenses pending capitalisation (include depreciation and amortisation of ₹ 0.10 Crores (Previous year ₹ 0.01 Crores))	1.58	6.61
<b>TOTAL CAPITAL WORK-IN-PROGRESS</b>	<b>83.71</b>	<b>154.59</b>

### CAPITAL WORK-IN-PROGRESS AGEING SCHEDULE

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at 31<sup>st</sup> March, 2023</b>					
Projects in progress	71.90	11.81	-	-	83.71
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>71.90</b>	<b>11.81</b>	<b>-</b>	<b>-</b>	<b>83.71</b>
<b>As at 31<sup>st</sup> March, 2022</b>					
Projects in progress	145.03	9.56	-	-	154.59
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>145.03</b>	<b>9.56</b>	<b>-</b>	<b>-</b>	<b>154.59</b>

### 4 INTANGIBLE ASSETS

	Computer software	Know how, Right to use & Patents	Total
<b>Gross carrying amount</b>			
Balance as at 1 <sup>st</sup> April, 2022	18.89	25.76	44.65
Additions	0.72	3.24	3.96
Deductions/ Adjustment	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>19.61</b>	<b>29.00</b>	<b>48.61</b>
<b>Accumulated Depreciation</b>			
Balance as at 1 <sup>st</sup> April, 2022	15.36	22.85	38.21
Additions	2.81	2.14	4.95
Deductions/ Adjustment	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>18.17</b>	<b>24.99</b>	<b>43.16</b>
Net carrying amount as at 1 <sup>st</sup> April, 2022	3.53	2.91	6.44
Net carrying amount as at 31 <sup>st</sup> March, 2023	1.44	4.01	5.45
<b>Gross carrying amount</b>			
Balance as at 1 <sup>st</sup> April, 2021	18.33	25.76	44.09
Additions	0.56	0.00	0.56
Deductions/ Adjustment	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>18.89</b>	<b>25.76</b>	<b>44.65</b>
<b>Accumulated Depreciation</b>			
Balance as at 1 <sup>st</sup> April, 2021	12.44	20.69	33.13
Additions	2.92	2.16	5.08
Deductions/ Adjustment	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>15.36</b>	<b>22.85</b>	<b>38.21</b>
Net carrying amount as at 1 <sup>st</sup> April, 2021	5.89	5.07	10.96
Net carrying amount as at 31 <sup>st</sup> March, 2022	3.53	2.91	6.44

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### 4A INTANGIBLE ASSETS UNDER DEVELOPMENT

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Know how, Right to use & Patents	-	1.18
<b>TOTAL INTANGIBLE ASSETS UNDER DEVELOPMENT</b>	<b>-</b>	<b>1.18</b>

### INTANGIBLE ASSETS UNDER DEVELOPMENT SCHEDULE

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at 31st March, 2022</b>					
Projects in progress	-	-	-	1.18	<b>1.18</b>
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.18</b>	<b>1.18</b>

### 5 RIGHT TO USE - LEASE

	<u>Right to use</u>
<b><u>Gross carrying amount</u></b>	
<b>Balance as at 1st April, 2022</b>	<b>117.30</b>
Additions	20.13
Deductions/ Adjustment	-
Amortisation	0.41
<b>Balance as at 31st March, 2023</b>	<b>137.02</b>
<b><u>Accumulated Depreciation</u></b>	
<b>Balance as at 1st April, 2022</b>	<b>38.57</b>
Additions	16.09
Deductions/ Adjustment	-
<b>Balance as at 31st March, 2023</b>	<b>54.66</b>
<b>Net carrying amount as at 1st April, 2022</b>	<b>78.73</b>
<b>Net carrying amount as at 31st March, 2023</b>	<b>82.36</b>
<b><u>Gross carrying amount</u></b>	
<b>Balance as at 1st April, 2021</b>	<b>92.61</b>
Additions	25.08
Deductions/ Adjustment	-
Amortisation	0.39
<b>Balance as at 31st March, 2022</b>	<b>117.30</b>
<b><u>Accumulated Depreciation</u></b>	
<b>Balance as at 1st April, 2021</b>	<b>25.45</b>
Additions	13.12
Deductions/ Adjustment	-
<b>Balance as at 31st March, 2022</b>	<b>38.57</b>
<b>Net carrying amount as at 1st April, 2021</b>	<b>67.16</b>
<b>Net carrying amount as at 31st March, 2022</b>	<b>78.73</b>

(Refer Note 35)

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### 6 NON CURRENT INVESTMENTS

	Quantity (in Nos)		Amount	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>EQUITY SHARES FULLY PAID UP</b>				
<b>A. INVESTMENT IN ASSOCIATE &amp; SUBSIDIARY</b>				
<b>QUOTED (At Cost)</b>				
Supreme Petrochem Ltd. (an associate Company - 30.78% equity stake held [Previous year 30.78%]) [Face value @ ₹ 2 each (Previous year @ ₹ 4 each)]	57872800	28936400	16.01	16.01
<b>UNQUOTED (At Cost)</b>				
Supreme Industries Overseas (FZE), a wholly owned subsidiary incorporated in UAE (Face value @ AED 150,000 each)	1	1	0.19	0.19
<b>TOTAL INVESTMENT IN ASSOCIATE &amp; SUBSIDIARY</b>			<b>16.20</b>	<b>16.20</b>
<b>B. OTHER INVESTMENTS</b>				
<b>QUOTED (Fair value through Profit &amp; Loss Account)</b>				
Bank of Baroda	1286	1286	0.02	0.01
Central Bank of India	5874	5874	0.01	0.01
Unimers India Ltd.	37	37	-	-
<b>UNQUOTED (Fair value through Profit &amp; Loss Account)</b>				
Saraswat Co-op. Bank Ltd.	1000	1000	-	-
Windage Power Company Private Ltd.*	65550	54550	0.06	0.05
Nu Power Wind Farms Limited*	10378	10378	0.01	0.01
<b>INVESTMENT IN PARTNERSHIP</b>				
HPC Research s.r.o. (LLC)**			6.00	5.59
<b>TOTAL OTHER INVESTMENTS</b>			<b>6.10</b>	<b>5.67</b>
<b>TOTAL NON CURRENT INVESTMENTS [A+B]</b>			<b>22.30</b>	<b>21.87</b>
*Lying in escrow account				
Aggregate market value of quoted investments			2146.83	2675.63
Aggregate carrying value of unquoted investments			6.26	5.84
Aggregate carrying value of quoted investments			16.04	16.03
** Name of Partners and shares				
1. Special engineering s.r.o. (45%)				
2. Andriy Zakharchuk (45%)				
3. The Supreme Industries Limited (10%)				

### 7 DEPOSITS

	Non-Current		Current	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Sundry deposits considered good - Unsecured	27.81	22.41	0.97	1.86
<b>TOTAL DEPOSITS</b>	<b>27.81</b>	<b>22.41</b>	<b>0.97</b>	<b>1.86</b>

### 8 LOANS

	Non-Current		Current	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Loans to employees considered good - Unsecured	1.69	1.17	1.94	4.04
Loans to employees - credit impaired	0.04	0.04	-	-
	1.73	1.21	1.94	4.04
Less: Provision for doubtful Loans to employees	0.04	0.04	-	-
<b>TOTAL LOANS</b>	<b>1.69</b>	<b>1.17</b>	<b>1.94</b>	<b>4.04</b>

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### 9 OTHER FINANCIAL ASSETS

	Current	
	31-Mar-23	31-Mar-22
Interest accrued and due on fixed deposits	0.47	0.35
Share application money towards 242109 equits shares of Upendra Singh Multi Transmission Private Limited - Since allotted (As at 31st March' 2022 - 682927 equits shares of Belenus Solar Pvt Ltd.)	1.12	1.12
Amount receivable from Associate towards its capital reduction-Since received	-	17.36
E-Wallet balances	0.73	0.17
<b>TOTAL OTHER FINANCIAL ASSETS</b>	<b>2.32</b>	<b>19.00</b>

### 10 OTHER ASSETS

(Unsecured - Considered good)

	Non-Current		Current	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Capital advances	29.14	42.12	-	-
Advance to Suppliers	-	-	83.50	54.80
Advances/claims recoverable	-	-	37.92	22.18
Prepaid expenses	1.65	1.31	15.49	11.31
Refunds due/balances from/with government authorities	29.95	54.62	104.65	93.38
<b>TOTAL OTHER ASSETS</b>	<b>60.74</b>	<b>98.05</b>	<b>241.56</b>	<b>181.67</b>

### 11 INVENTORIES

(Cost or Net realisable value whichever is lower)

	As at 31-Mar-23	As at 31-Mar-22
Raw materials and components [including goods in transit ₹ 68.71 crores (As at 31st March' 2022 - ₹ 70.13 crores)]	803.44	632.44
Finished goods [(including goods in transit ₹ 3.28 crores (As at 31st March' 2022 - ₹ 5.53 crores)]	462.39	511.50
Semi-finished goods	68.47	74.34
Stock-in-trade	15.67	6.52
Stores, spare parts, and consumables	21.44	21.89
Packing materials	14.23	13.47
<b>TOTAL INVENTORIES</b>	<b>1385.64</b>	<b>1260.16</b>

Note: Write down of Inventories to Net Realisable Value by ₹ 5.80 crores (Previous year ₹ 2.71 crores) based on management inventory policy for Non & slow moving inventory. The same has been recognised as an expense during the year and included in the "Changes in value of Inventory of "semi finished goods" and "finished goods" in the statement of Profit and Loss.

### 12 TRADE RECEIVABLES

	As at 31-Mar-23	As at 31-Mar-22
Trade Receivables considered good - Unsecured	491.89	465.63
Trade Receivables which have significant increase in Credit Risk	2.45	3.17
Trade Receivables - credit impaired	4.93	4.44
	499.27	473.24
Less: Provision for doubtful trade receivables	7.52	6.48
<b>TOTAL TRADE RECEIVABLES</b>	<b>491.75</b>	<b>466.76</b>

Note: Refer Note 32 and 39



## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### TRADE RECEIVABLES AGEING SCHEDULE:

Particulars	Not Due/ Unbilled	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31st March, 2023</b>							
i) Undisputed Trade receivables – considered good	386.31	103.03	1.08	1.04	0.17	0.26	<b>491.89</b>
ii) Undisputed Trade Receivables – which have significant increase in credit Risk	-	1.20	1.12	0.09	0.04	-	<b>2.45</b>
iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade receivables – considered good	-	-	-	-	-	-	-
v) Disputed Trade Receivables – which have significant increase in credit Risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	-	-	1.60	0.87	2.46	<b>4.93</b>
Subtotal	386.31	104.23	2.20	2.73	1.08	2.72	<b>499.27</b>
Less: Provision for doubtful trade receivables			0.99	2.73	1.08	2.72	<b>7.52</b>
<b>Total</b>	<b>386.31</b>	<b>104.23</b>	<b>1.21</b>	-	-	-	<b>491.75</b>
<b>As at 31st March, 2022</b>							
i) Undisputed Trade receivables – considered good	375.76	84.11	4.08	0.42	0.26	0.23	<b>464.86</b>
ii) Undisputed Trade Receivables – which have significant increase in credit Risk	-	0.01	2.26	0.66	0.09	0.15	<b>3.17</b>
iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade receivables – considered good	-	-	-	0.77	-	-	<b>0.77</b>
v) Disputed Trade Receivables – which have significant increase in credit Risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	0.17	0.60	1.20	0.19	2.28	<b>4.44</b>
Subtotal	375.76	84.29	6.94	3.05	0.54	2.66	<b>473.24</b>
Less: Provision for doubtful trade receivables			0.23	3.05	0.54	2.66	<b>6.48</b>
<b>Total</b>	<b>375.76</b>	<b>84.29</b>	<b>6.71</b>	-	-	-	<b>466.76</b>

### 13 CASH AND CASH EQUIVALENTS

Balance with banks in current and cash credit accounts

Cash on hand

Remittances in transit

Investment in liquid mutual funds/deposits\*

**TOTAL CASH AND CASH EQUIVALENTS**

As at 31-Mar-23	As at 31-Mar-22
<b>116.52</b>	91.19
<b>0.19</b>	0.20
<b>0.13</b>	-
<b>620.84</b>	426.15
<b>737.68</b>	517.54

\*Investment in Liquid Mutual funds/deposits includes:

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

Scheme Name	Units (in Nos.) as at 31-Mar-23	As at 31-Mar-23	As at 31-Mar-22
<b>Liquid Mutual funds</b>			
ABSL Liquid Fund	1552658	51.74	60.16
Axis Liquid Fund	245333	61.36	60.19
BNP Paribas Liquid Fund	108169	28.07	9.09
Baroda BNP Paribas Overnight Fund	165017	20.57	
DSP Liquid Fund	46928	15.10	
Franklin India Liquid Fund	14857	5.02	
HDFC Liquid Fund	171313	75.78	65.15
HSBC Liquid Fund	114119	25.59	
ICICI Prudential Liquid Fund	1525839	50.27	60.12
Kotak Liquid Fund	163434	74.34	61.11
LIC Liquid Fund	24621	10.06	
Mahindra Manulife Liquid Fund	259559	38.02	
Nippon India Liquid Fund	27316	15.04	
SBI Liquid Fund	173425	61.34	65.18
Sundaram Liquid Fund	151977	30.21	
Tata Liquid Fund	28475	10.11	45.15
Union Liquid Fund	189730	41.16	
UTI Money Market Fund	26804	7.06	
<b>Total</b>		<b>620.84</b>	<b>426.15</b>

### 14 OTHER BANK BALANCES

Deposit with banks (Earmarked for electricity/sales tax/margin money)  
Unclaimed dividend

#### TOTAL OTHER BANK BALANCES

	As at 31-Mar-23	As at 31-Mar-22
Deposit with banks (Earmarked for electricity/sales tax/margin money)	2.28	2.12
Unclaimed dividend	5.28	5.24
<b>TOTAL OTHER BANK BALANCES</b>	<b>7.56</b>	<b>7.36</b>

### 15 EQUITY SHARE CAPITAL

#### AUTHORISED

15,00,00,000 Nos. Equity Shares of ₹ 2 each  
1,12,00,000 Nos. Preference Shares of ₹ 10 each  
3,38,00,000 Nos. Unclassified Shares of ₹ 10 each

#### ISSUED, SUBSCRIBED AND PAID UP

12,70,26,870 Nos. Equity Shares of ₹ 2 each Fully Paid Up

#### TOTAL SHARE CAPITAL

	As at 31-Mar-23	As at 31-Mar-22
15,00,00,000 Nos. Equity Shares of ₹ 2 each	30.00	30.00
1,12,00,000 Nos. Preference Shares of ₹ 10 each	11.20	11.20
3,38,00,000 Nos. Unclassified Shares of ₹ 10 each	33.80	33.80
	<b>75.00</b>	<b>75.00</b>
12,70,26,870 Nos. Equity Shares of ₹ 2 each Fully Paid Up	25.41	25.41
<b>TOTAL SHARE CAPITAL</b>	<b>25.41</b>	<b>25.41</b>

a) The reconciliation of the number of equity shares outstanding	As at 31-Mar-23		As at 31-Mar-22	
	Numbers	Amount	Numbers	Amount
Equity Shares at the beginning of the year	127026870	25.41	127026870	25.41
Equity Shares at the end of the year	127026870	25.41	127026870	25.41

#### b) Terms/rights attached to Equity shares :

The Company has only one class of issued Equity Shares having a par value of ₹ 2 per share. Each Shareholder is eligible for one vote per share held.

In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

**c) The details of Shareholders holding more than 5% shares:**

Name of the Shareholders	31-Mar-23		31-Mar-22	
	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding
Boon Investment and Trading Company Pvt Ltd	20457956	16.11%	20457956	16.11%
Jovial Investment and Trading Company Pvt Ltd	20478638	16.12%	20478638	16.12%
Venkatesh Investment and Trading Company Pvt Ltd	18041229	14.20%	18041229	14.20%

**d) The details of Shares held by promoters at the end of the year**

Promoter name	2022-23			2021-22		
	No. of Equity Shares	Equity Shares %	% Change during the year	No. of Equity Shares	Equity Shares %	% Change during the year
Boon Investment and Trading Company Pvt Ltd	20457956	16.11%	-	20457956	16.11%	-
Jovial Investment and Trading Company Pvt Ltd	20478638	16.12%	-	20478638	16.12%	-
Venkatesh Investment and Trading Company Pvt Ltd	18041229	14.20%	-	18041229	14.20%	-
Platinum Plastic And Industries Private Limited	49100	0.04%	-	49100	0.04%	-
Suraj Packaging Private Limited	6300	0.00%	-	6300	0.00%	-
Space Age Chemplast Pvt Ltd	30000	0.02%	-	30000	0.02%	-
Mahaveer Prasad Taparia	749186	0.59%	-	749186	0.59%	-
Shri Bajranglal Taparia	317398	0.25%	-	317398	0.25%	-
Shivratan Taparia	703816	0.55%	-	703816	0.55%	-
Vijay Kumar Taparia	244890	0.19%	-	244890	0.19%	-
Kamleshdevi Taparia	302830	0.24%	-	302830	0.24%	-
Kusumdevi Taparia	98690	0.08%	-	98690	0.08%	-
Vivek Kumar Taparia	162230	0.13%	-	162230	0.13%	-
Priyanka Devi Taparia	141500	0.11%	-	141500	0.11%	-
Anika Vivekkumar Taparia	20000	0.02%	-	20000	0.02%	-
Viren Vivek Taparia	200050	0.16%	-	200050	0.16%	-
Akshay Vivekkumar Taparia	50000	0.04%	-	50000	0.04%	-
<b>Total</b>	<b>62053813</b>	<b>48.85%</b>	<b>-</b>	<b>62053813</b>	<b>48.85%</b>	<b>-</b>

**e) In the Period of five years immediately preceding March, 2023:**

The Company has not allotted any equity shares as fully paid up without payment being received in cash or as Bonus Shares or Bought back any equity shares.

### 16 OTHER EQUITY

	As at 31-Mar-23	As at 31-Mar-22
Capital reserve	-	2.45
Securities premium	47.49	47.49
Capital redemption reserve	2.22	2.22
General reserve	3531.38	3094.73
Retained earnings	254.05	228.65
Accumulated other comprehensive income	(15.79)	(13.01)
	<b>3819.35</b>	<b>3362.53</b>

**Nature & Purpose of the Reserve:**

**Capital reserve:** Capital reserve represents the capital subsidy received by the Company.

**Securities premium:** Securities premium is credited when shares are issued at premium. This will be utilised in accordance with the provisions of the Act.

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

**Capital redemption reserve:** Capital redemption reserve is being created by transfer from Retained earnings at the time of buy back of equity shares in accordance with the Act. The reserve will be utilised in accordance with the provisions of the Act.

**General reserve:** The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.

**Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

### 17 DEPOSITS

	Non-Current		Current	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Trade / security deposits	2.32	4.03	5.17	1.68
<b>TOTAL DEPOSITS</b>	<b>2.32</b>	<b>4.03</b>	<b>5.17</b>	<b>1.68</b>

### 18 PROVISIONS

	Non-Current		Current	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>Provision for employee benefits:</b>				
Compensated absences	26.35	24.39	8.50	7.60
<b>TOTAL PROVISIONS</b>	<b>26.35</b>	<b>24.39</b>	<b>8.50</b>	<b>7.60</b>

### 19 TRADE PAYABLES

	As at 31-Mar-23	As at 31-Mar-22
Due to:		
Micro, small and medium enterprises	4.74	22.15
Creditors other than micro, small and medium enterprises	899.92	772.94
<b>TOTAL TRADE PAYABLES</b>	<b>904.66</b>	<b>795.09</b>

**Note:**

1. Refer Note 39 for related party balances.
2. The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act, to the extent information available to the Company are as follows:

	As at 31-Mar-23	As at 31-Mar-22
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4.74	22.15
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### 3. Trade Payables Ageing Schedule:

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due/Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31st March, 2023</b>						
i) Micro, small and medium enterprises	3.84	0.90	-	-	-	<b>4.74</b>
ii) Creditors other than micro, small and medium enterprises	698.98	197.70	0.70	0.01	2.53	<b>899.92</b>
iii) Disputed dues – Micro, small and medium enterprises	-	-	-	-	-	-
iv) Disputed dues other than micro, small and medium enterprises	-	-	0.70	0.01	2.53	<b>3.24</b>
<b>As at 31st March, 2022</b>						
i) Micro, small and medium enterprises	17.07	5.08	-	-	-	<b>22.15</b>
ii) Creditors other than micro, small and medium enterprises	278.60	486.54	2.55	3.13	2.12	<b>772.94</b>
iii) Disputed dues – Micro, small and medium enterprises	-	-	-	-	-	-
iv) Disputed dues other than micro, small and medium enterprises	-	-	0.80	0.63	2.12	<b>3.55</b>

### 20 OTHER FINANCIAL LIABILITIES

Payables towards property, plant & equipment  
Unclaimed dividend\*  
Unpaid matured deposits & interest accrued thereon  
Derivative financial liabilities

#### TOTAL OTHER FINANCIALS LIABILITIES

	As at 31-Mar-23	As at 31-Mar-22
	<b>73.36</b>	41.40
	<b>5.28</b>	5.24
	<b>0.01</b>	0.01
	<b>0.85</b>	2.49
	<b>79.50</b>	49.14

\*Investor Education and Protection Fund (IEPF) credited when due. As at March 31st 2023, no balances were due to be transferred to IEPF.

### 21 OTHER CURRENT LIABILITIES

Advances from customers  
Statutory dues  
Other payables

#### TOTAL OTHER CURRENT LIABILITIES

	As at 31-Mar-23	As at 31-Mar-22
	<b>42.80</b>	43.49
	<b>79.63</b>	89.01
	<b>1.92</b>	1.87
	<b>124.35</b>	134.37

### 22 INCOME TAX ASSETS/LIABILITIES (NET)

Income tax assets [net of income tax provision ₹ 245.20 Crores (As at 31st March' 2022 - ₹ 264.81 crores)]

#### TOTAL INCOME TAX LIABILITIES (NET)

	As at 31-Mar-23	As at 31-Mar-22
	<b>7.68</b>	15.42
	<b>7.68</b>	15.42

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### 23 REVENUE FROM OPERATIONS

	2022 - 2023	2021 - 2022
<b>Sale of Goods</b>		
Plastic Products	<b>9010.30</b>	7569.34
<b>Traded Goods</b>		
Plastic Products	<b>46.59</b>	47.37
Polymers & Others	<b>71.84</b>	105.89
	<b>9128.73</b>	7722.60
<b>Sale of services</b>		
Income from processing	<b>8.57</b>	8.53
<b>Other operating income</b>		
Government grants/subsidy*	<b>18.49</b>	10.32
Export incentives	<b>6.33</b>	5.12
Sale of empty bags and other scrap etc.	<b>23.31</b>	17.59
Insurance and other claims	<b>1.64</b>	0.35
Liabilities no longer required written back	<b>14.42</b>	8.30
	<b>64.19</b>	41.68
<b>TOTAL REVENUE FROM OPERATIONS</b>	<b>9201.49</b>	7772.81

\*Includes long overdue subsidy written off ₹ 15.42 Crores and reinstatement of ₹ 7.09 Crores Grant/Subsidy during the year 2022-23, Pursuant to clarification issued in respect of / revision of IPS Scheme.

### 24 OTHER INCOME

	2022 - 2023	2021 - 2022
Dividend received on investments in associate carried at cost	<b>52.09</b>	47.75
Profit on redemption of liquid mutual funds on current investments designated at FVTPL	<b>18.82</b>	8.47
Fair valuation of liquid mutual funds on current investments designated at FVTPL	<b>4.58</b>	0.90
Profit on sale/discard of property, plant and equipment (net)	<b>1.80</b>	2.98
Interest received	<b>2.43</b>	1.36
Profit on sale of non current investments	-	5.40
Miscellaneous Income	<b>2.14</b>	0.84
<b>TOTAL OTHER INCOME</b>	<b>81.86</b>	67.70

### 25 COST OF MATERIALS CONSUMED

	2022 - 2023	2021 - 2022
Cost of raw materials consumed	<b>6275.22</b>	5301.22
Cost of packing materials consumed	<b>149.38</b>	127.71
<b>TOTAL COST OF MATERIALS</b>	<b>6424.60</b>	5428.93

### 26 CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI FINISHED GOODS & STOCK-IN-TRADE

	2022 - 2023	2021 - 2022
<b>Inventories at the beginning of the year</b>		
Finished goods / Semi finished goods	<b>585.84</b>	373.60
Stock-in-trade	<b>6.52</b>	6.49
	<b>592.36</b>	380.09
<b>Inventories at the end of the year</b>		
Finished goods / Semi finished goods	<b>530.86</b>	585.84
Stock-in-trade	<b>15.67</b>	6.52
	<b>546.53</b>	592.36
<b>Change in inventories</b>	<b>45.83</b>	(212.27)
<b>TOTAL CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI FINISHED GOODS &amp; STOCK-IN-TRADE</b>	<b>45.83</b>	(212.27)

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### 27 EMPLOYEE BENEFITS EXPENSES

	2022 - 2023	2021 - 2022
Salaries and wages	291.20	265.38
Contribution to provident and other funds	15.50	13.50
Managerial remuneration	45.40	46.25
Staff welfare expenses	21.53	19.17
<b>TOTAL EMPLOYEE BENEFITS EXPENSES</b>	<b>373.63</b>	<b>344.30</b>

### 28 FINANCE COSTS

	2022 - 2023	2021 - 2022
Interest on lease liabilities	5.99	3.76
Unwinding of discount on deferred sales tax	-	0.09
Other borrowing costs	1.48	1.00
Interest on income tax	0.55	0.30
<b>TOTAL FINANCE COSTS</b>	<b>8.02</b>	<b>5.15</b>

### 29 OTHER EXPENSES

	2022 - 2023	2021 - 2022
Stores & spare parts consumed	54.88	45.87
Labour charges	245.72	194.33
Power & fuel	266.65	213.43
Repairs & maintenance of buildings	4.85	7.52
Repairs & maintenance of plant & machinery	17.30	14.48
Repairs & maintenance (others)	18.87	15.14
Directors' Fees and Commission to non executive directors (Refer Note 39)	1.35	1.30
Rent, rates & taxes (Refer Note 35)	4.16	4.99
Insurance	9.27	8.19
Corporate social responsibility and donations (Refer Note 43)	19.08	15.87
Legal & professional fees	13.31	19.49
Travelling & conveyance	39.39	26.61
Vehicle expenses (Refer Note 35)	3.71	3.52
Advertisement, publicity & business promotion	97.22	62.84
Freight and forwarding charges	150.12	129.32
Printing, stationery & communication	8.63	8.56
Commission	24.05	20.51
Bad debts	0.05	0.04
Provision for doubtful debts	1.26	-
Plant security services	14.82	14.33
Inspection, testing, registration and marking fees	10.14	7.63
Foreign currency exchange fluctuation (net)	16.25	14.01
Miscellaneous expenses	7.56	5.18
<b>TOTAL OTHER EXPENSES</b>	<b>1028.64</b>	<b>833.16</b>

### 30 INCOME TAXES

#### a) Tax expense recognised in the statement of Profit and Loss:

	2022 - 2023	2021 - 2022
Current tax	244.66	264.50
Deferred income tax expense/(credit)	0.36	(1.48)
<b>Total income tax expense/(credit)</b>	<b>245.02</b>	<b>263.02</b>

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### b) A reconciliation of the income tax amount between the enacted income tax rate and the effective income tax of the Company is as follows :

	2022 - 2023	2021 - 2022
Enacted income tax rate in India adopted by the Company	25.17%	25.17%
Profit before tax	1006.71	1073.97
Income tax as per above rate	253.39	270.32
Income tax adjustments on:		
Income not chargeable to Income taxes	(13.11)	(12.02)
Amounts not allowable under income tax act	3.93	3.66
Others	0.81	1.06
<b>Income tax as per profit and loss statement</b>	<b>245.02</b>	<b>263.02</b>

### c) The movement in deferred tax assets and liabilities during the year ended 31st March, 2023:

Deferred tax (assets)/liabilities	As at 1st April, 2021	(Credit)/charge in statement of Profit and Loss	As at 31st March, 2022	(Credit)/charge in statement of Profit and Loss	As at 31st March, 2023
Depreciation	109.75	0.23	109.98	3.65	113.63
Amount allowable on payment basis & others	(17.83)	(1.71)	(19.54)	(3.29)	(22.82)
<b>Total</b>	<b>91.92</b>	<b>(1.48)</b>	<b>90.44</b>	<b>0.36</b>	<b>90.81</b>

## 31 FINANCIAL INSTRUMENTS

The Management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and financial liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts and fair values of financial instruments by category are as follows:

#### a. Financial assets

	Note	Instruments carried at			Total carrying amount
		At Cost	FVTPL	Amortized cost	
<b>As at 31st March, 2023</b>					
Investment in associate and subsidiary	6	16.20	-	-	16.20
Other investments	6	-	6.10	-	6.10
Deposits	7	-	-	28.78	28.78
Loans	8	-	-	3.63	3.63
Trade receivables	12	-	-	491.75	491.75
Cash & cash equivalents	13	-	620.84	116.84	737.68
Other bank balances	14	-	-	7.56	7.56
Other financial assets	9	-	-	2.32	2.32
<b>Total</b>		<b>16.20</b>	<b>626.94</b>	<b>650.88</b>	<b>1294.02</b>



## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

	Note	Instruments carried at			Total carrying amount
		At Cost	FVTPL	Amortized cost	
<b>As at 31st March, 2022</b>					
Investment in associate and subsidiary	6	16.20	-	-	16.20
Other investments	6	-	5.67	-	5.67
Deposits	7	-	-	24.27	24.27
Loans	8	-	-	5.21	5.21
Trade receivables	12	-	-	466.76	466.76
Cash & cash equivalents	13	-	426.15	91.39	517.54
Other bank balances	14	-	-	7.36	7.36
Other financial assets	9	-	-	19.00	19.00
<b>Total</b>		<b>16.20</b>	<b>431.82</b>	<b>613.99</b>	<b>1062.01</b>

### b. Financial liabilities

	Note	Instruments carried at		
		FVTPL	Amortized cost	Total carrying amount
<b>As at 31st March, 2023</b>				
Finance lease liabilities		-	51.17	51.17
Deposits	17	-	7.49	7.49
Trade payables	19	-	904.66	904.66
Other financial liabilities	20	-	78.65	78.65
Derivative financial liabilities	20	0.85	-	0.85
<b>Total</b>		<b>0.85</b>	<b>1041.97</b>	<b>1042.82</b>
<b>As at 31st March, 2022</b>				
Finance lease liabilities		-	45.68	45.68
Deposits	17	-	5.71	5.71
Trade payables	19	-	795.09	795.09
Other financial liabilities	20	-	46.65	46.65
Derivative financial liabilities	20	2.49	-	2.49
<b>Total</b>		<b>2.49</b>	<b>893.13</b>	<b>895.62</b>

### Fair value estimation

For financial instruments measured at fair value in the Balance Sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: quoted prices for identical instruments
- Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: inputs which are not based on observable market data.

	Level 1	Level 2	Level 3
<b>As at 31st March, 2023</b>			
<b>Assets at fair value</b>			
Investments	0.07	-	6.03
Investment in liquid funds	620.84	-	-
<b>Liabilities at fair value</b>			
Derivative financial instruments	-	0.85	-
<b>As at 31st March, 2022</b>			
<b>Assets at fair value</b>			
Investments	0.06	-	5.61
Investment in liquid funds	426.15	-	-
<b>Liabilities at fair value</b>			
Derivative financial instruments	-	2.49	-

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

The fair value of investments in equity/liquid funds is based on the price quotation at the reporting date derived from quoted market prices in active market. The Company enters into derivative financial instruments with various banks. Foreign exchange forward contracts are valued mark to mark valuation as provided by the Banks.

### 32 RISK MANAGEMENT

#### Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's activity expose it to market risk, liquidity risk, commodity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. The Company's financial risk management policy is set by the Managing Director and governed by overall direction of Board of Directors of the Company.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

S.No.	Risk	Exposure arising from	Measurement	Risk Management
A	Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Credit limits and letters of credit and Performance guarantees.
B	Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
C	Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
D	Market risk – foreign exchange	Future commercial transactions recognised financial assets and liabilities not denominated in INR.	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
E	Commodity risk	Purchase of Raw Material	Fluctuation of Crude Price and Currency rates	Procurement and inventory strategy

#### A. CREDIT RISK

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business
- Actual or expected significant changes in the operating results of the counterparty
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- Significant increase in credit risk on other financial instruments of the same counterparty

The company categorises financial assets based on the assumptions, inputs and factors specific to the class of financial assets into High-quality assets, negligible credit risk; Quality assets, low credit risk; Standard assets, moderate credit risk; Substandard assets, relatively high credit risk; Low quality assets, very high credit risk; Doubtful assets, credit-impaired.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than one year past due. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

**Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023**

₹ In Crores

**Provision for expected credit losses:**

Description of category	Category	Basis for recognition of expected credit loss provision		
		Investments	Loans and deposits	Trade Receivables
Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	High-quality assets, negligible credit risk	12 month expected credit losses	12 month expected credit losses	Life time expected credit losses (simplified approach)
Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past	Quality assets, low credit risk			
Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong	Standard assets, moderate credit risk			
Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 180 days past due	Substandard assets, relatively high credit risk	Life-time expected credit losses	Life-time expected credit losses	
Assets where there is a high probability of default. In general, assets where contractual payments are more than 180 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 180 days past due	Low quality assets, very high credit risk			
Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 365 days past due. Where loans or receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Doubtful assets, credit-impaired	Asset is written off		

**Expected credit loss for loans, security deposits and investments:**

As at 31<sup>st</sup> March, 2023

Particulars		Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans	3.67	-	0.04	3.63
		Security deposits	28.78	-	-	28.78
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired or credit impaired	NA	-	-	-	-

As at 31<sup>st</sup> March, 2022

Particulars		Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans	5.25	-	0.04	5.21
		Security deposits	24.27	-	-	24.27
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired or credit impaired	NA	-	-	-	-

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

- a. Expected credit loss for trade receivables under simplified approach (Refer Note 12 for ageing of Trade Receivables)  
b. Reconciliation of loss allowance provision - Trade receivables

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Opening provision</b>	<b>6.48</b>	6.77
Additional provision made	<b>1.26</b>	-
Utilisation during the year	<b>(0.22)</b>	(0.29)
<b>Closing provisions</b>	<b>7.52</b>	6.48

The Company maintains exposure in cash and cash equivalents, investments in liquid mutual funds and Corporate deposits. Investments in liquid mutual funds and corporate deposits are fair valued on Level 1 or Level 2 inputs.

The Company invests after considering multiple criteria prescribed by the Risk Management Committee. These risks are monitored regularly by the Risk Management Committee.

### B. LIQUIDITY RISK

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

#### Financing arrangements

The Company had access to following undrawn Borrowing facilities at end of reporting period:

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Borrowings including working capital</b>	<b>408.00</b>	408.00

#### Contractual maturity patterns of borrowings

As at 31<sup>st</sup> March, 2023, the Company does not have any outstanding borrowings.

Refer Note 35 for contractual maturity pattern of lease liabilities.

#### Contractual maturity patterns of Financial Liabilities

	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	0-12 Months	More than 12 Months	0-12 Months	More than 12 Months
Trade Payable	<b>904.66</b>	-	795.09	-
Payable related to Capital goods	<b>73.36</b>	-	41.40	-
Lease liabilities	<b>14.45</b>	<b>36.72</b>	13.39	32.29
Deposits	<b>5.17</b>	<b>2.32</b>	1.68	4.03
Other Financial liabilities	<b>6.14</b>	-	7.74	-
<b>Total</b>	<b>1003.78</b>	<b>39.04</b>	859.30	36.32

### C. MARKET RISK- INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

#### Exposure to interest rate risk

The Company is not exposed to significant interest rate risk as at the respective reporting date.

### D. MARKET RISK- FOREIGN CURRENCY RISK

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Exports of the company are significantly lower in comparison to its imports. Foreign currency exchange rate exposure is partly balanced by exports of goods and prudent hedging policy.

Name of the Instrument	2022 - 2023		2021 - 2022	
	In Million US\$	₹ in Crores	In Million US\$	₹ in Crores
Open Foreign Exchange Exposures - Receivable	<b>3.04</b>	<b>24.98</b>	6.36	48.20
Open Foreign Exchange Exposures - Payable	<b>30.24</b>	<b>248.48</b>	45.08	341.66

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following Impact on profit before tax:

Name of the Instrument	2022 - 2023		2021 - 2022	
	1% appreciation in US\$	1% depreciation in US\$	1% appreciation in US\$	1% depreciation in US\$
Increase / (decrease) in profit or loss (₹ in Crores)	(2.24)	2.24	(2.93)	2.93

### Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally are banks. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

Name of the Instrument	2022 - 2023		2021 - 2022	
	In Million US\$	₹ in Crores	In Million US\$	₹ in Crores
Forward Purchase	46.83	386.31	23.12	177.94

The Company enjoys natural hedge to the extent of exports effected. Although the Company believes that these derivatives constitute hedges from a economic prospective, they might not qualify for hedge accounting under Ind AS 109.

## E. COMMODITY RISK

Principal Raw Material for Company's products is variety of plastic polymers which are primarily Derivatives of Crude Oil. Company sources its raw material requirement from across the globe. Domestic market prices are also generally remains in sync with international market price scenario.

Volatility in Crude Oil prices, Currency fluctuation of Rupee vis-à-vis other prominent currencies coupled with demand-supply scenario in the world market affect the effective price and availability of polymers for the Company. Company effectively manages deals with availability of material as well as price volatility through:

1. Widening its sourcing base
2. Appropriate contracts and commitments
3. Well planned procurement & inventory strategy and
4. Prudent hedging policy on foreign currency exposure

Risk committee of the Company comprising members from Board of Directors and operations has developed and enacted a risk management strategy regarding commodity Price risk and its mitigation.

## 33 CAPITAL RISK MANAGEMENT

### A The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders
- maintain an optimal capital structure to reduce the cost of capital

The Company monitors capital on the basis of the following debt equity ratio:

	31 March, 2023	31 March, 2022
Net Debt	-	-
Total Equity	3,844.76	3,387.94
<b>Net Debt to Total Equity</b>	-	-

Company believes in conservative leverage policy. Company's capex plan over the medium term shall be largely funded through internal accruals.

### B The Company follows the policy of Dividend for every financial year as may be decided by Board considering financial performance of the company and other internal and external factors enumerated in the Company dividend policy. As per the dividend policy, generally the Company maintains a dividend pay-out ratio in the range of 35% to 55% of net profit (PAT).

Dividends declared by the Company are based on the profit available for distribution. On 28th April, 2023, the Board of Directors of the Company have proposed a final dividend of ₹ 20/- per share in respect of the year ended 31st March, 2023 subject to the approval of shareholders at the ensuing Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 254 Crores.

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### 34 DISCLOSURE PURSUANT TO IND AS - 19 "EMPLOYEE BENEFITS"

- i) **Gratuity:** In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by life Insurance Companies under their respective Group Gratuity Schemes.

The disclosure in respect of the defined Gratuity Plan are given below:

#### A. Balance Sheet

	Defined benefit plans	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Present value of plan liabilities	73.36	65.56
Fair value of plan assets	76.59	67.52
<b>Asset/(Liability) recognised</b>	<b>3.23</b>	<b>1.96</b>

#### B. Movements in plan assets and plan liabilities

	Present value of obligations	Fair Value of Plan assets
<b>As at 1st April 2022</b>	<b>65.56</b>	<b>67.52</b>
Current service cost	3.92	-
Interest Cost	4.76	-
Interest Income	-	4.91
Return on plan assets excluding amounts included in net finance income/cost	-	(0.53)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(1.04)	-
Actuarial (gain)/loss arising from experience adjustments	4.23	-
Employer contributions	-	8.76
Benefit payments	(4.07)	(4.07)
<b>As at 31<sup>st</sup> March 2023</b>	<b>73.36</b>	<b>76.59</b>
<b>As at 1st April 2021</b>	<b>59.82</b>	<b>59.20</b>
Current service cost	3.75	-
Interest Cost	4.13	-
Interest Income	-	4.08
Return on plan assets excluding amounts included in net finance income/cost	-	(0.03)
Actuarial (gain)/loss arising from changes in demographic assumptions	(0.06)	-
Actuarial (gain)/loss arising from changes in financial assumptions	(1.91)	-
Actuarial (gain)/loss arising from experience adjustments	3.19	-
Employer contributions	-	7.63
Benefit payments	(3.36)	(3.36)
<b>As at 31<sup>st</sup> March 2022</b>	<b>65.56</b>	<b>67.52</b>

The liabilities are split between different categories of plan participants as follows:

- active members - 100% (2021-22: 100%)

The Company expects to contribute ₹ 1.09 Crores to the funded plans in financial year 2023-24

The Plan assets have been invested in Insurance managed funds.

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### C. Statement of Profit and Loss

	2022 - 2023	2021 - 2022
<b>Employee Benefit Expenses:</b>		
Current service cost	3.92	3.75
Interest cost/(income)	(0.15)	0.05
<b>Total amount recognised in Statement of profit &amp; loss</b>	<b>3.77</b>	<b>3.80</b>
<b>Remeasurement of the net defined benefit liability:</b>		
Return on plan assets excluding amounts included in net finance income/(cost)	(0.53)	(0.03)
Experience gains/(losses)	(3.19)	(1.22)
<b>Total amount recognised in Other Comprehensive Income</b>	<b>(3.72)</b>	<b>(1.25)</b>

### D. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Financial Assumptions</b>		
Discount rate	7.49%	7.29%
Expected Rate of Return on plan assets	7.49%	7.29%
Salary Escalation Rate	6.00%	6.00%
Attrition Rate	2.00%	2.00%
<b>Demographic Assumptions</b>	<b>"Indian Assured Lives Mortality 2012-14 (Urban)"</b>	<b>"Indian Assured Lives Mortality 2012-14 (Urban)"</b>

### E. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Impact on defined benefit obligation</b>	<b>Increase/Decrease in liability</b>	<b>Increase/Decrease in liability</b>
+0.5% Change in rate of discounting	(2.49)	(2.30)
-0.5% Change in rate of discounting	2.67	2.47
+1.00% Change in rate of Salary increase	5.56	5.14
-1.00% Change in rate of Salary increase	(4.91)	(4.53)
+0.5% Change in Attrition Rate	0.29	0.23
-0.5% Change in Attrition Rate	(0.31)	(0.25)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

### F. The major categories of plan assets are as follows:

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Equities	—	—
Bonds	—	—
Gilts	—	—
Pooled assets with an insurance company	100%	100%
Other	—	—
	<b>100%</b>	<b>100%</b>

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### G. The defined benefit obligations shall mature as follows:

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Within 1 year	12.85	11.12
1-2 year	4.92	3.54
2-3 year	7.21	5.32
3-4 year	5.91	6.70
4-5 year	5.11	5.21
5-10 year	27.95	24.15
More than 10 year	83.44	75.81

ii) **Compensated Absences:** The Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as at the balance sheet date performed by an independent actuary. The Company doesn't maintain any plan assets to fund its obligation towards compensated absences.

#### iii) Notes:

Liability for post employment benefits, other long term benefits, termination benefits and certain short term benefits such as compensated absences is provided on an actuarial basis for the Company as a whole. Accordingly the amount for above pertaining to key management personnel is not ascertainable and, therefore, not included above.

## 35 LEASES

Under Ind AS 116, the nature of expenses in respect of operating leases has changed from "lease rent" to "depreciation cost" and "finance cost" for the right-to-use assets and for interest accrued on lease liability respectively.

The weighted average lessee's incremental borrowing rate applied to the lease liabilities is 9% p.a.

### Changes in the carrying value of right to use assets are:

Particulars	Type of Right to use assets			Total
	Building	Vehicles	Land	
<b>Balance as at 1st April, 2022</b>	<b>36.52</b>	<b>6.88</b>	<b>35.33</b>	<b>78.73</b>
Additions	17.05	3.08	-	20.13
Depreciation and amortisation expenses (Refer Note 5)	13.92	2.18	0.40	16.50
<b>Balance as at 31st March, 2023</b>	<b>39.65</b>	<b>7.78</b>	<b>34.93</b>	<b>82.36</b>
<b>Balance as at 1st April, 2021</b>	<b>31.16</b>	<b>4.07</b>	<b>31.93</b>	<b>67.16</b>
Additions	16.23	5.06	3.79	25.08
Depreciation and amortisation expenses (Refer Note 5)	10.87	2.25	0.39	13.51
<b>Balance as at 31st March, 2022</b>	<b>36.52</b>	<b>6.88</b>	<b>35.33</b>	<b>78.73</b>

### Movement in lease liabilities:

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Opening Balance</b>	<b>45.68</b>	<b>36.71</b>
Additions	19.76	20.67
Interest accrued during the year	5.99	3.76
Deletions	-	-
Payment of lease liabilities	20.26	15.46
<b>Closing Balance</b>	<b>51.17</b>	<b>45.68</b>
- Current lease liabilities	14.45	13.39
- Non-current lease liabilities	36.72	32.29



## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### Break-up of the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Less than one year	14.45	13.39
One to five years	26.32	24.57
More than 5 years	10.40	7.72

### Breakup of Short-term leases expenses incurred:

Particulars	2022 - 2023	2021 - 2022
Property rentals	0.40	2.17

### 36 EARNINGS PER SHARE (EPS)

Particulars	2022 - 2023	2021 - 2022
Profit after tax(PAT)	764.47	811.89
Weighted average number of equity Shares (In Nos.)	127026870	127026870
Nominal value of equity Shares (In ₹)	2.00	2.00
Basic & diluted earning per share (In ₹)	60.18	63.91

### 37 CONTINGENT LIABILITIES

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Bills/Cheque's discounted	10.98	7.17
Diputed Excise and Service Tax demands	42.52	41.83
Disputed Sales Tax / Entry Tax / GST demands	1.97	2.16
Other claims against the Company not acknowledged as debts	5.65	7.08

#### Notes:

- Most of the issues of litigation pertaining to Central Excise/Income Tax are based on interpretation of the respective Law & Rules thereunder. Management has been opined by its counsel that many of the issues raised by revenue will not be sustainable in law as they are covered by judgments of respective judicial authorities which supports its contention. As such no material impact on the financials of the Company is envisaged.
- Sales Tax and Entry Tax related litigation/demand primarily pertains to non- receipt of declaration forms from customers and mismatch of input tax credit or some interpretation related issues w.r.t. applicability of schemes. Counsel of the Company opined positive outcome based on merits of the cases under litigation. As such no material impact on the financials of the Company is envisaged.
- Other issues are either in ordinary course of business or not of substantial nature and management is reasonably confident of their positive outcome. Management shall deal with them judiciously and provide for appropriately, if any such need arises.

### 38 COMMITMENTS

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) is ₹ 123.74 Crores (Previous year ₹ 237.62 Crores).

### 39 DISCLOSURE ON RELATED PARTY TRANSACTIONS

#### Names of related parties and description of relationship and Nature of Transactions:

#### Parties where controls exists :

The Supreme Industries Overseas FZE, Dubai - Subsidiary

Nature of Transactions	2022 - 2023	2021 - 2022
Sale of goods	1.43	0.05
Receiving of services - excluding taxes	1.91	1.50
Outstanding at year-end - Receivable	1.29	-
Outstanding at year-end - Payable	1.91	1.90

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### Associate and other related parties with whom transaction have been entered during the course of business:

Supreme Petrochem Limited (associate)

Nature of Transactions	Supreme Petrochem Limited	
	2022 - 2023	2021 - 2022
Purchase of goods	168.16	107.30
Sale of goods	0.54	1.95
Dividend Received	52.09	47.75
Capital Reduction on account of investment value reduced of equity shares from ₹ 10 each to ₹ 4 each	-	17.36
Outstanding at year-end - Receivable	-	0.07
Amount receivable at year-end - towards its capital reduction	-	17.36
Outstanding at year-end - Payable/(Advance)	(0.59)	(1.22)

### Key Managerial Personnel:

Mr. M P Taparia, Managing Director ; Mr. S J Taparia, Executive Director ; Mr. V K Taparia, Executive Director ; Mr. P.C. Somani, Chief Financial Officer ; Mr. R.J. Saboo, VP (Corporate Affairs) & Company Secretary.

Nature of Transactions	Mr. M P Taparia, Managing Director		Mr. S J Taparia, Executive Director	
	2022 - 2023	2021 - 2022	2022 - 2023	2021 - 2022
Managerial Remuneration paid	15.19	15.33	15.07	15.55
Outstanding at year-end - Payable	10.61	11.18	10.62	11.16
Nature of Transactions	Mr. V K Taparia, Executive Director		Others	
	2022 - 2023	2021 - 2022	2022 - 2023	2021 - 2022
Managerial Remuneration paid	15.06	15.37	3.71	2.86
Outstanding at year-end - Payable	10.62	11.15	0.17	0.35

As the liabilities for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to individual Key Management Personnel are not separately available.

### Enterprises in which Directors have significant influence:

Devvrat Impex Private Limited, Levram Lifesciences Pvt. Ltd, Styrenix Performance Materials Ltd, Supreme Foundation, Shri Surajmal Taparia Memorial Trust, Smt. Moharidevi Taparia Memorial Trust, Smt. Moharidevi Taparia Kanya Mahavidyalay Trust, Shree Jeetmal Taparia Memorial Trust

Nature of Transactions	Devvrat Impex Private Limited		Levram Lifesciences Pvt. Ltd	
	2022 - 2023	2021 - 2022	2022 - 2023	2021 - 2022
Sale of goods	60.63	51.43	0.55	-
Purchase of goods	-	-	0.01	-
Receiving of services - excluding taxes	-	0.01	-	-
Outstanding at year-end - Receivable	0.47	0.51	-	-
Outstanding at year-end - Payable	-	-	-	-

Nature of Transactions	Styrenix Performance Materials Ltd		Trusts	
	2022 - 2023	2021 - 2022	2022 - 2023	2021 - 2022
Sale of goods	-	-	0.03	0.19
Purchase of goods	21.73	-	-	-
Donations towards corporate social responsibility				
Supreme Foundation	-	-	14.75	12.18
Shri Surajmal Taparia Memorial Trust	-	-	2.00	-
Shree Jeetmal Taparia Memorial Trust	-	-	0.25	-
Outstanding at year-end - Receivable	-	-	-	0.01
Outstanding at year-end - Payable	1.67	-	-	-

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### Other Related Parties:

#### Non Executive Directors

Mr. B. L. Taparia, Chairman ; Director ; Mr. R. Kannan, Director ; Mr. R. M. Pandia, Director ; Mr. Sarthak Behuria, Director ; Ms. Ameeta Parpia

Mr. Vivek Taparia, Business Development Manager (Relative of Director)

Nature of Transactions	2022 - 2023	2021 - 2022
Remuneration paid to relative of Director	0.94	0.84
Sitting Fees & Commission to Non Executive Directors	1.35	1.30
Outstanding at year-end - Payable	0.82	0.61

#### Notes:

- Related party relationship is as identified by the management and relied upon by the auditors.
- No amounts in respect of related parties have been written off/ written back during the year or has not made any provision for doubtful debts/ receivable.
- Related party transactions have been disclosed on basis of value of transactions in terms of the respective contracts.
- Terms and conditions of sales and purchases: the sales and purchases transactions with the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties. For the year ended 31st March, 2023, the Company has not recorded any loss allowances for transactions between the related parties.

40 In terms of para 4 of Ind As 108 "Operating Segments", segment information has been provided in the notes to Consolidated Financial Statements.

### 41 DEBT RECONCILIATION

Particulars	For the year ended 31 <sup>st</sup> March, 2023		For the year ended 31 <sup>st</sup> March, 2022	
	Deferred payment liabilities	Working Capital Loans	Deferred payment liabilities	Working Capital Loans
Opening Net Debt	-	-	0.96	-
Proceeds from Borrowings	-	-	-	71.31
Repayment of Borrowings (Net)	-	-	(1.05)	(71.31)
Interest Expenses on Borrowings	-	-	-	-
Interest Paid	-	-	-	-
Unwinding of discount on deferred sales tax	-	-	0.09	-
Closing Net Debt	-	-	-	-

### 42 PAYMENT TO AUDITORS

(Including Branch auditors excluding GST)

	2022 - 2023	2021 - 2022
Audit fees	0.72	0.72
Tax audit fees	0.19	0.21
Limited review and certification fees	0.23	0.14
Reimbursement of expenses	0.05	0.04
<b>TOTAL PAYMENT TO AUDITORS</b>	<b>1.19</b>	<b>1.11</b>

### 43 CORPORATE SOCIAL RESPONSIBILITY:

	2022 - 2023	2021 - 2022
(a) Amount required to be spent as per Section 135 of Companies Act, 2013	18.80	15.69
(b) Amount Spent during the year		
(a) Construction/Acquisition of assets	-	-
(b) On purpose other than above	18.96	15.78
(c) Excess amount spent under section 135 (5)		
Carried forward Opening Balance Excess/(Short)	0.09	-
Amount required to be spent during the year	18.80	15.69
Actual amount spent/incurred during the year	18.96	15.78
Carried forward Closing Balance Excess/(Short)	0.25	0.09

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

(d) Nature of CSR activities

2022 - 2023	2021 - 2022
<b>Education, Skilling, Employment, Health, Wellness, Water, Sanitation, Disaster Relief and Hygiene</b>	

(e) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard

17.00	12.18
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### 44 RATIOS

Particulars	Measure	Current year Numerator	Current year Denominator	2022 - 2023	2021 - 2022	% variance
<b>Current Ratio</b> (Current Assets / Current Liabilities)	Times	2877.10	1136.63	<b>2.53</b>	2.47	2.45%
<b>Debt-Equity Ratio</b> (Total Debt / Shareholder's Equity)	Times	-	3844.76	-	-	-
<b>Debt Service Coverage Ratio</b> (Earnings available for debt service / Debt Services)	Times	Not Applicable				
<b>Return on Equity Ratio</b> (Net Profits after taxes / Average Shareholder's Equity)*100	Percentage	764.47	3616.35	<b>21.14%</b>	25.95%	(18.54%)
<b>Inventory turnover ratio</b> (Cost of Goods Sold/Average Inventory)	Times	6599.24	1322.9	<b>4.99</b>	5.30	(5.84%)
<b>Trade Receivables turnover ratio</b> (Revenue from operations / Average Trade Receivables)	Times	9201.49	479.26	<b>19.20</b>	18.14	5.82%
<b>Trade payables turnover ratio</b> (Net Credit Purchase / Average Trade payables)	Times	8401.13	849.88	<b>9.89</b>	10.15	(2.64%)
<b>Net capital turnover ratio</b> (Revenue from operations / Average Working Capital)	Times	9201.49	1606.51	<b>5.73</b>	6.05	(5.39%)
<b>Net profit ratio</b> (Profit After Tax/Total Income)*100	Percentage	764.47	9283.35	<b>8.23%</b>	10.36%	(20.48%)
<b>Return on Capital employed</b> (Earnings before Interest & tax / Average Capital Employed)	Percentage	1018.45	3706.98	<b>27.47%</b>	33.55%	(18.11%)
<b>Return on investment</b> (Profit after tax / Total Equity)*100	Percentage	764.47	3844.76	<b>19.88%</b>	23.96%	(17.03%)

### 45 RELATIONSHIP WITH STRUCK OFF COMPANIES

Name of struck off company	Nature of transactions	Transaction during the year	Balance outstanding	Relationship
Calmsleep Star Mattress Private Ltd	Sales	0.26	0.00	Customer
Biofix Infiniumz Private Limited	Sales	0.02	-	Customer

- 46** (a) No proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder.
- (b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (c) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (d) There were no transactions relating to previously unrecorded income that have been surrendered and disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (e) The Company has not advanced or loaned to or invested in funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

## Notes to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (f) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
  - (i) directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

**47** The previous year's figures have been re-grouped / re-classified wherever required to conform to current year's classification.

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Signature to Notes 1-47  
For and on behalf of the Board

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

**V. K. Taparia**  
Executive Director  
(DIN No. 00112567)

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

**R. J. Saboo**  
VP (Corporate Affairs) & Company Secretary

**M. P. Taparia**  
Managing Director  
(DIN No. 00112461)

**R. M. Pandia**  
Director  
(DIN No. 00021730)

**Sarthak Behuria**  
Director  
(DIN No. 03290288)

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

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

**P. C. Somani**  
Chief Financial Officer

Mumbai, 28<sup>th</sup> April, 2023

## Independent Auditors' Report on Consolidated Financial Statements

To the Members of  
The Supreme Industries Limited

### Report on the Audit of Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of The Supreme Industries Limited ("the Parent Company"), its wholly owned foreign subsidiary and its associate (hereinafter to be referred as "the Group") which comprises of consolidated Balance Sheet as at March 31, 2023, the consolidated Statement of Profit & Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flow for the year then ended (refer "Other matters" section below), and notes to the financial statements, including a summary of significant accounting policies and other explanatory information in which are included the financial statements of 23 manufacturing units 28 - Depots, 7 - Fabrication units and 6 - offices located across India [hereinafter referred to as "Branches"] for the year ended on that date audited by 8 branch auditors.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2023, the consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

#### Information Other than the Consolidated Financial Statements and auditor's report thereon

The Parent Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Board's Report including Annexures to the Board report and Management Discussion and Analysis but does not include the consolidated financial statement and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

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

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which

we are independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters:

- (a) We did not audit the financial statements of branches included in the consolidated financial statements of the Company whose financial statements reflect the total assets of ₹ 2,580.96 crores as at March 31, 2023 (₹ 3,268.37 crores as at March 31, 2022) and total revenue of ₹ 5,820.26 crores for the year ended on that date (₹ 7,469.79 crores for the year ended March 31, 2022). The financial statements of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors. Our opinion on the consolidated financial statement and our report on the other legal and regulatory requirements below is not modified in respect of this matter.
- (b) We did not audit the financial statements of a subsidiary included in the consolidated financial statements of the Group whose financial statements reflects total assets of ₹ 4.76 crores as at March 31, 2023 (as at 31 March, 2022 ₹ 3.39 crores); total revenue of ₹ 3.38 crores, net loss and total comprehensive income of ₹ 0.28 crores and net cash outflow of ₹ 1.06 crores for the year ended 31 March, 2023 (Revenue of ₹ 1.56 crores, net loss of ₹ 0.10 crores and net cash outflow of ₹ 0.80 crores for the year ended March 31, 2022), as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 153.19 crores for the year ended 31 March, 2022 (₹ 203.88 crores for the year ended 31 March, 2022), as considered in the consolidated financial statements, in respect of an associate, whose financial statements / financial information have not been audited by us.

These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and associates, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and associates, is based solely on the report of other auditors.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law maintained by the Group have been kept so far as it appears from our examination of those books and records.
  - (c) The reports on the financial statements of branches of the Parent Company audited under Section 143(8) of the Act by eight firms of independent auditors have been sent to us and properly dealt with by us in preparing this report.
  - (d) The Consolidated Balance sheet, the Consolidated Statement of Profit & Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- (e) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (f) On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2023 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditor of associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on 31st March, 2023 from being appointed as a Director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Parent Company and the operating effectiveness of such controls, please refer Annexure B of the standalone audit report attached with the standalone financial statements included in this annual report.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group has disclosed the impact of pending litigations on its financial performance in its consolidated financial statements. [Refer note no. 37 to the standalone financial statements]
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund.
  - iv.
    - a) The Management of the Parent Company and an associate, which is incorporated in India and whose financial statements have been audited under the Act, have represented to us and to the other auditor of such associate that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or associate to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b) The Management of the Parent Company and an associate, which is incorporated in India and whose financial statements have been audited under the Act, have represented to us and to the other auditor of such associate that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or associate from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or associate shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the associate which are incorporated in India and whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement.
  - v.
    - a) The final dividend paid by the Company and its associate during the year in respect of the same declared in the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
    - b) The interim dividend declared and paid by the Company and its associate during the year is in accordance with the Section 123 of the Act.
    - c) As stated in the note 33(B) to the standalone financial statements, the Board of Directors of the Company and its associate has proposed final dividend for the year which is subject to the approval of the members at the ensuing annual general meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to the declaration of dividend.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Parent Company and by the auditors of the associate company included in the consolidated financial statements of the Parent Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **LODHA & COMPANY**  
*Chartered Accountants*  
Firm registration No. – 301051E

**A. M. Hariharan**  
*Partner*  
Membership No. 38323  
UDIN: 23038323BGYENA5439

Place : Mumbai  
Date: 28<sup>th</sup> April 2023

**Consolidated Balance Sheet as at 31<sup>st</sup> March, 2023**

₹ in Crores

PARTICULARS	Note	As at 31-Mar-23	As at 31-Mar-22
<b>ASSETS</b>			
<b>(1) NON - CURRENT ASSETS</b>			
(a) Property, plant & equipment	2	1976.43	1682.11
(b) Capital work-in-progress	3	83.71	154.59
(c) Intangible assets	4	5.45	6.44
(d) Intangible assets under development	4A	-	1.18
(e) Right to use - Lease	5	82.36	78.73
(f) Investment in associate	6	571.25	470.22
(g) Financial assets			
(i) Other investments	6	6.10	5.67
(ii) Deposits	7	27.81	22.41
(iii) Loans	8	1.69	1.17
(h) Other non-current assets	10	60.74	98.05
<b>TOTAL NON - CURRENT ASSETS</b>		<b>2815.54</b>	<b>2520.57</b>
<b>(2) CURRENT ASSETS</b>			
(a) Inventories	11	1385.64	1260.16
(b) Financial assets			
(i) Trade receivables	12	492.38	466.81
(ii) Cash & cash equivalents	13	737.96	518.87
(iii) Other bank balances	14	8.12	7.36
(iv) Deposits	7	1.06	1.94
(v) Loans	8	1.94	4.04
(vi) Other financial assets	9	2.32	19.00
(c) Income tax assets (net)	22	7.68	15.42
(d) Other current assets	10	241.58	181.70
<b>TOTAL CURRENT ASSETS</b>		<b>2878.68</b>	<b>2475.30</b>
<b>TOTAL ASSETS</b>		<b>5694.22</b>	<b>4995.87</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	15	25.41	25.41
Other equity	16	4376.71	3818.95
<b>TOTAL EQUITY</b>		<b>4402.12</b>	<b>3844.36</b>
<b>LIABILITIES</b>			
<b>(1) NON - CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Deposits	17	2.32	4.03
(ii) Lease liabilities		36.72	32.29
(b) Provisions	18	26.35	24.39
(c) Deferred tax liabilities (net)		90.81	90.44
<b>TOTAL NON - CURRENT LIABILITIES</b>		<b>156.20</b>	<b>151.15</b>
<b>(2) CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Trade payables	19		
Dues of micro, small and medium enterprises		4.74	22.15
Dues of creditors other than micro, small and medium enterprises		899.01	771.86
(ii) Deposits	17	5.17	1.68
(iii) Lease liabilities		14.45	13.39
(iv) Other financial liabilities	20	79.50	49.14
(b) Other current liabilities	21	124.53	134.54
(c) Provisions	18	8.50	7.60
<b>TOTAL CURRENT LIABILITIES</b>		<b>1135.90</b>	<b>1000.36</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5694.22</b>	<b>4995.87</b>

**Significant Accounting Policies.**

1-34

The accompanying notes are an integral part of the Consolidated financial statements

As per our attached report of even date For and on behalf of the Board

For **LODHA & COMPANY**  
Chartered Accountants  
FRN - 301051E

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

**M. P. Taparia**  
Managing Director  
(DIN No. 00112461)

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

**V. K. Taparia**  
Executive Director  
(DIN No. 00112567)

**A.M. Hariharan**  
Partner

**R. M. Pandia**  
Director  
(DIN No. 00021730)

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

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

**Sarthak Behuria**  
Director  
(DIN No. 03290288)

Mumbai, 28<sup>th</sup> April, 2023

**P. C. Somani**  
Chief Financial Officer

**R. J. Saboo**  
VP (Corporate Affairs) & Company Secretary

**Statement of Consolidated Profit and Loss for the year ended on 31<sup>st</sup> March, 2023**

₹ in Crores

PARTICULARS	Note	2022 – 2023		2021 – 2022	
<b>INCOME</b>					
Revenue from operations	23	<b>9201.59</b>		7772.82	
Other income	24	<b>29.77</b>	<b>9231.36</b>	19.95	7792.77
<b>EXPENDITURE</b>					
Cost of materials consumed	25	<b>6424.60</b>		5428.93	
Purchase of stock-in-trade		<b>128.76</b>		136.51	
Changes in inventories of finished goods, Semi finished goods and stock-in-trade	26	<b>45.83</b>		(212.27)	
Employee benefits expenses	27	<b>374.79</b>		345.28	
Finance costs	28	<b>8.02</b>		5.15	
Depreciation and amortisation expense	2, 4, 5	<b>263.39</b>		229.52	
Other expenses	29	<b>1027.93</b>	<b>8273.32</b>	832.26	6765.38
<b>PROFIT BEFORE SHARE OF PROFIT OF AN ASSOCIATE</b>			<b>958.04</b>		1027.39
Share of profit of associate			<b>153.25</b>		204.39
<b>PROFIT BEFORE TAX</b>			<b>1111.29</b>		1231.78
<b>TAX EXPENSES</b>					
Current tax		<b>245.60</b>		264.81	
Deferred tax (credit)/charge		<b>0.36</b>	<b>245.96</b>	(1.48)	263.33
<b>PROFIT AFTER TAX</b>			<b>865.33</b>		968.45
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Re-measurement of defined employee benefit plans		<b>(3.85)</b>		(1.50)	
Income tax relating to Re-measurement of defined employee benefit plans		<b>0.94</b>	<b>(2.91)</b>	0.31	(1.19)
<b>TOTAL COMPREHENSIVE INCOME</b>			<b>862.42</b>		967.26
<b>EARNINGS PER SHARE</b>					
Basic & diluted earning per share (In ₹)	32		<b>68.12</b>		76.24
(Face value of ₹ 2 each)					
<b>Significant Accounting Policies</b>	1-34				
<b>The accompanying notes are an integral part of the Consolidated financial statements</b>					

As per our attached report of even date For and on behalf of the Board

For **LODHA & COMPANY**  
Chartered Accountants  
FRN - 301051E

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

**M. P. Taparia**  
Managing Director  
(DIN No. 00112461)

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

**V. K. Taparia**  
Executive Director  
(DIN No. 00112567)

**A.M. Hariharan**  
Partner

**R. M. Pandia**  
Director  
(DIN No. 00021730)

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

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

**Sarthak Behuria**  
Director  
(DIN No. 03290288)

Mumbai, 28<sup>th</sup> April, 2023

**P. C. Somani**  
Chief Financial Officer

**R. J. Saboo**  
VP (Corporate Affairs) & Company Secretary

## Consolidated Cash Flow Statement for the year ended on 31<sup>st</sup> March, 2023

PARTICULARS	₹ in Crores	
	2022 – 2023	2021 – 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	1111.29	1231.78
Adjustments to reconcile profit before tax to cashflows :		
Depreciation and amortisation expense	263.39	229.52
Interest expenses	8.02	5.06
Provision for doubtful debts/Bad debts	1.31	0.04
Foreign currency exchange fluctuation	17.10	16.50
Share of profit in partnership firm	(0.41)	(0.28)
Share of net (profit)/loss of associates	(153.25)	(204.14)
Interest income	(1.66)	(0.92)
Excess liabilities written back	(14.42)	(8.30)
(Profit)/Loss on sale of liquid mutual funds	(23.40)	(9.37)
(Profit) /Loss on sale of property, plant & equipments	(1.80)	(2.98)
(Profit) /Loss on sale of investments	–	(5.40)
Fair value adjustments	(0.62)	(0.42)
Operating profit before working capital changes	1205.55	1251.09
<b>Adjustments for :</b>		
<b>Change in working capital</b>		
(Increase)/decrease in inventories	(125.48)	(499.40)
(Increase)/decrease in trade receivable	(26.88)	(76.95)
(Increase)/decrease in other assets	(22.57)	(27.00)
Increase/(decrease) in trade payables	107.91	142.14
Increase/(decrease) in other liabilities	(10.73)	(32.87)
Cash generated from operations	1127.80	757.01
Direct taxes paid (net of refund)	(237.46)	(286.75)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES ( A )</b>	<b>890.34</b>	<b>470.26</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment	(424.33)	(469.94)
Sale of property, plant & equipment	2.50	3.89
Proceeds from sale of non-current investments	–	5.42
Purchase of liquid mutual funds	(2565.93)	(2265.54)
Sale of liquid mutual funds	2584.75	2274.01
Interest received	1.66	0.92
Dividend received from an associate	52.09	47.75
<b>NET CASH USED IN INVESTING ACTIVITIES ( B )</b>	<b>(349.26)</b>	<b>(403.49)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of long term borrowings	–	(0.70)
Increase/(Decrease) in short term borrowings	–	(0.35)
Interest paid	(1.48)	(1.00)
Payment of lease liabilities	(20.22)	(16.08)
Dividend paid	(304.87)	(292.18)
<b>NET CASH USED IN FINANCING ACTIVITIES ( C )</b>	<b>(326.57)</b>	<b>(310.31)</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>214.51</b>	<b>(243.54)</b>
Opening balance at beginning of the year	518.87	761.51
Effect of fair value of Liquid mutual funds	4.58	0.90
Closing balance at end of the year	737.96	518.87

### Significant Accounting Policies

The accompanying notes are an integral part of the Consolidated financial statements

1-34

As per our attached report of even date For and on behalf of the Board

For **LODHA & COMPANY**  
Chartered Accountants  
FRN - 301051E

**A.M. Hariharan**  
Partner

Mumbai, 28<sup>th</sup> April, 2023

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

**R. M. Pandia**  
Director  
(DIN No. 00021730)

**P. C. Somani**  
Chief Financial Officer

**M. P. Taparia**  
Managing Director  
(DIN No. 00112461)

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

**R. J. Saboo**  
VP (Corporate Affairs) & Company Secretary

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

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

**V. K. Taparia**  
Executive Director  
(DIN No. 00112567)

**Sarthak Behuria**  
Director  
(DIN No. 03290288)

## Consolidated Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

<b>EQUITY SHARE CAPITAL :</b>	<b>Paid up capital (Refer Note 15)</b>
Balance as at 1 <sup>st</sup> April, 2021	25.41
Changes in equity share capital during the year	–
Changes in Equity Share Capital due to prior period errors	–
Balance as at 31 <sup>st</sup> March, 2022	25.41
Changes in equity share capital during the year	–
Balance as at 31 <sup>st</sup> March, 2023	25.41

<b>OTHER EQUITY :</b>	<b>Reserves and Surplus</b>					<b>Accumulated Other Comprehensive Income</b>		<b>Total</b>
	<b>Capital reserve</b>	<b>Securities premium</b>	<b>Capital redemption reserve</b>	<b>General reserve</b>	<b>Retained earnings</b>	<b>Foreign exchange translation reserve</b>	<b>Actuarial gains/(losses)</b>	
<b>Balance as at 1<sup>st</sup> April, 2021</b>	<b>2.49</b>	<b>47.49</b>	<b>2.22</b>	<b>2888.20</b>	<b>215.96</b>	<b>0.37</b>	<b>(12.93)</b>	<b>3143.80</b>
Profit for the year					968.45			968.45
Recognised during the year						0.07		0.07
Remeasurements of net defined benefit plans (Net of Taxes)							(1.19)	(1.19)
Final dividend paid for FY 2020-21					(215.96)			(215.96)
Interim dividend paid for FY 2021-22					(76.22)			(76.22)
Transfer to general reserve					(663.58)			(663.58)
Transfer from Statement of profit & loss				663.58				663.58
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>2.49</b>	<b>47.49</b>	<b>2.22</b>	<b>3551.78</b>	<b>228.65</b>	<b>0.44</b>	<b>(14.12)</b>	<b>3818.95</b>
Profit for the year					865.33			865.33
Recognised during the year						0.21		0.21
Transfer to retained earnings	(2.49)				2.49			–
Remeasurements of net defined benefit plans (Net of Taxes)							(2.91)	(2.91)
Final dividend paid for FY 2021-22					(228.65)			(228.65)
Interim dividend paid for FY 2022-23					(76.22)			(76.22)
Transfer to general reserve					(537.55)			(461.33)
Transfer from Statement of profit & loss				537.55				461.33
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>–</b>	<b>47.49</b>	<b>2.22</b>	<b>4089.33</b>	<b>254.05</b>	<b>0.65</b>	<b>(17.03)</b>	<b>4376.71</b>

### Significant Accounting Policies

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The accompanying notes are an integral part of the Consolidated financial statements.

As per our attached report of even date For and on behalf of the Board

For **LODHA & COMPANY**  
Chartered Accountants  
FRN - 301051E

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

**M. P. Taparia**  
Managing Director  
(DIN No. 00112461)

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

**V. K. Taparia**  
Executive Director  
(DIN No. 00112567)

**A.M. Hariharan**  
Partner

**R. M. Pandia**  
Director  
(DIN No. 00021730)

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

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

**Sarthak Behuria**  
Director  
(DIN No. 03290288)

Mumbai, 28<sup>th</sup> April, 2023

**P. C. Somani**  
Chief Financial Officer

**R. J. Saboo**  
VP (Corporate Affairs) & Company Secretary

## Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

### 1. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 GROUP OVERVIEW:

The consolidated financial statements comprise financial statements of Supreme Industries Limited, Parent Company, its subsidiary and associate (hereinafter referred as “the Group”).

The Supreme Industries Limited (“the Parent Company”) is public limited company incorporated and domiciled in India and has registered office at 612, Raheja Chambers, Nariman Point, Mumbai 400 021. It is incorporated under the Indian Companies Act, 1913 and its shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange in India.

The Group is one of the leading plastic products manufacturing company in India having 28 manufacturing facilities spread across the country, offering a wide and comprehensive range of plastic products in India. The company operates in various product categories viz. Plastic Piping System, Cross Laminated Films & Products, Protective Packaging Products, Industrial Moulded Components, Moulded Furniture, Storage & Material Handling Products, Performance Packaging Films and Composite LPG Cylinders.

#### Group Structure:

Name of Company	Country of incorporation	Shareholding as at	
		As at 31st March, 2023	As at 31st March, 2022
<b>Subsidiary</b>			
The Supreme industries Overseas (FZE)	UAE	100%	100%
<b>Associate:</b>			
Supreme Petrochem Limited	India	30.78%	30.78%

#### 1.2 BASIS OF PREPARATION AND MEASUREMENT

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified under the Companies (Indian Accounting standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules 2016 prescribed under section 133 of the Companies Act, 2013.

The consolidated financial statements of the Group are prepared and presented on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- Certain financial assets and liabilities are measured at Fair value and Derivative Financial instruments
- Defined Benefit and other Long-term Employee Benefits

These consolidated financial statements are approved for issue by the Company’s Board of Directors on 28th April, 2023.

#### 1.3 USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the consolidated financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

All the assets and liabilities have been classified as current or non-current as per the group’s normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

Areas involving critical estimates and Judgements are:

- Estimation of employee defined benefit obligations
- Estimation of current tax expenses
- Estimation of provisions and contingent liabilities

#### 1.4 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries and associates as at 31st March 2023. The Parent Company prepares and report its consolidated financial statements in INR (₹).

#### Subsidiaries:

Subsidiaries are all entities over which the group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

## Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of controls. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary.

### Consolidation procedure:

#### Subsidiaries:

- Combine, on line by line basis like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

### 1.5 GOODWILL

Goodwill arising on an acquisition of a business is initially recognized at cost at the date of acquisition. After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any.

### 1.6 INVESTMENTS IN ASSOCIATES

Associates are all entities over which the group has significant influences but not control or joint control. This is generally the case where the group holds between 20% to 50% of the voting rights or the group has power to participate in the financial and operating policy decision of the investee. Investments in associate are accounted for using equity method accounting.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105.

Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate.

On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

Distributions received from an associate reduce the carrying amount of the investment. Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transactions provides evidence of an impairment of the assets transferred.

When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its



## Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

### Change in Ownership Interest:

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss. If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

### 1.7 FOREIGN CURRENCY TRANSACTIONS

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On disposal of foreign operations (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

### 1.8 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

The Group has identified its Managing Director as CODM which assesses the operational performance and position of the Group and makes strategic decisions.

### 1.9 For other accounting policies - Refer significant accounting policies mentioned in the standalone financial statements.

**Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023**

₹ In Crores

**2 PROPERTY, PLANT AND EQUIPMENT**

	Freehold Land	Buildings	Plant and Equipment	Moulds and Dies	Furniture and Fixtures	Vehicles	Office Equipment	Total
<b>Gross carrying amount</b>								
Balance as at 1 <sup>st</sup> April, 2022	76.05	818.84	1957.50	548.12	38.77	4.76	44.16	3488.20
Additions	–	112.62	349.77	65.29	3.57	0.60	5.52	537.37
Deductions/ Adjustment	–	0.06	12.61	4.21	0.22	0.62	0.88	18.60
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>76.05</b>	<b>931.40</b>	<b>2294.66</b>	<b>609.20</b>	<b>42.12</b>	<b>4.74</b>	<b>48.80</b>	<b>4006.97</b>
<b>Accumulated Depreciation</b>								
Balance as at 1 <sup>st</sup> April, 2022	–	230.78	1101.91	407.89	25.95	3.68	35.88	1806.09
Additions	–	29.02	160.15	45.02	2.68	0.51	4.97	242.35
Deductions/ Adjustment	–	0.03	12.13	4.06	0.19	0.62	0.87	17.90
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>–</b>	<b>259.77</b>	<b>1249.93</b>	<b>448.85</b>	<b>28.44</b>	<b>3.57</b>	<b>39.98</b>	<b>2030.54</b>
<b>Net carrying amount as at 1<sup>st</sup> April, 2022</b>	<b>76.05</b>	<b>588.06</b>	<b>855.59</b>	<b>140.23</b>	<b>12.82</b>	<b>1.08</b>	<b>8.28</b>	<b>1682.11</b>
<b>Net carrying amount as at 31<sup>st</sup> March, 2023</b>	<b>76.05</b>	<b>671.63</b>	<b>1044.73</b>	<b>160.35</b>	<b>13.68</b>	<b>1.17</b>	<b>8.82</b>	<b>1976.43</b>
<b>Gross carrying amount</b>								
Balance as at 1 <sup>st</sup> April, 2021	75.70	763.15	1815.47	507.24	37.20	5.19	41.53	3245.48
Additions	0.35	56.41	152.56	42.16	1.59	0.24	4.88	258.19
Deductions/ Adjustment	–	0.72	10.53	1.28	0.02	0.67	2.25	15.47
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>76.05</b>	<b>818.84</b>	<b>1957.50</b>	<b>548.12</b>	<b>38.77</b>	<b>4.76</b>	<b>44.16</b>	<b>3488.20</b>
<b>Accumulated Depreciation</b>								
Balance as at 1 <sup>st</sup> April, 2021	–	204.38	979.33	365.82	23.56	3.51	32.72	1609.32
Additions	–	26.67	132.76	43.25	2.40	0.84	5.41	211.33
Deductions/ Adjustment	–	0.27	10.18	1.18	0.01	0.67	2.25	14.56
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>–</b>	<b>230.78</b>	<b>1,101.91</b>	<b>407.89</b>	<b>25.95</b>	<b>3.68</b>	<b>35.88</b>	<b>1806.09</b>
<b>Net carrying amount as at 1<sup>st</sup> April, 2021</b>	<b>75.70</b>	<b>558.77</b>	<b>836.14</b>	<b>141.42</b>	<b>13.64</b>	<b>1.68</b>	<b>8.81</b>	<b>1636.16</b>
<b>Net carrying amount as at 31<sup>st</sup> March, 2022</b>	<b>76.05</b>	<b>588.06</b>	<b>855.59</b>	<b>140.23</b>	<b>12.82</b>	<b>1.08</b>	<b>8.28</b>	<b>1682.11</b>

**NOTE**

- Leasehold land under varying lease arrangement for period ranging from 30-99 years.
- Title deeds of Immovable Properties not held in name of the Company are:

Balances As at	Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is promoter or director	Property held since which date	Reason for not being held in the name of the company
31 <sup>st</sup> March, 2023	Property, plant & equipment	Free Hold Land	0.05	Shivratan Jitmal Taparia	Executive Director	27 <sup>th</sup> March, 1987	The Company has obtained deed of declaration from the directors, mentioning they have no right on these properties.
& 31 <sup>st</sup> March, 2022	Property, plant & equipment	Free Hold Land	0.38	Mahavir Prasad Taparia	Managing Director	17 <sup>th</sup> December, 2004	Further due to some procedural /technical issue the properties are still not transferred in the name of the company.

**3 CAPITAL WORK-IN-PROGRESS**

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Buildings	10.48	38.48
Plant and equipment	65.85	99.88
Moulds & dies	5.07	9.39
Other assets	0.73	0.23
Project expenses pending capitalisation (include depreciation and amortisation of ₹ 0.10 Crores (Previous year ₹ 0.01 Crores))	1.58	6.61
<b>TOTAL CAPITAL WORK-IN-PROGRESS</b>	<b>83.71</b>	<b>154.59</b>

## Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### CAPITAL WORK-IN-PROGRESS AGEING SCHEDULE

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at 31<sup>st</sup> March, 2023</b>					
Projects in progress	71.90	11.81	-	-	<b>83.71</b>
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>71.90</b>	<b>11.81</b>	-	-	<b>83.71</b>
<b>As at 31<sup>st</sup> March, 2022</b>					
Projects in progress	145.03	9.56	-	-	<b>154.59</b>
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>145.03</b>	<b>9.56</b>	-	-	<b>154.59</b>

### 4 INTANGIBLE ASSETS

	Computer software	Know how, Right to use & Patents	Total
<b>Gross carrying amount</b>			
Balance as at 1 <sup>st</sup> April, 2022	18.89	25.76	44.65
Additions	0.72	3.24	3.96
Deductions/ Adjustment	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>19.61</b>	<b>29.00</b>	<b>48.61</b>
<b>Accumulated Depreciation</b>			
Balance as at 1 <sup>st</sup> April, 2022	15.36	22.85	38.21
Additions	2.81	2.14	4.95
Deductions/ Adjustment	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>18.17</b>	<b>24.99</b>	<b>43.16</b>
<b>Net carrying amount as at 1<sup>st</sup> April, 2022</b>	<b>3.53</b>	<b>2.91</b>	<b>6.44</b>
<b>Net carrying amount as at 31<sup>st</sup> March, 2023</b>	<b>1.44</b>	<b>4.01</b>	<b>5.45</b>
<b>Gross carrying amount</b>			
Balance as at 1 <sup>st</sup> April, 2021	18.33	25.76	44.09
Additions	0.56	0.00	0.56
Deductions/ Adjustment	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>18.89</b>	<b>25.76</b>	<b>44.65</b>
<b>Accumulated Depreciation</b>			
Balance as at 1 <sup>st</sup> April, 2021	12.44	20.69	33.13
Additions	2.92	2.16	5.08
Deductions/ Adjustment	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>15.36</b>	<b>22.85</b>	<b>38.21</b>
<b>Net carrying amount as at 1<sup>st</sup> April, 2021</b>	<b>5.89</b>	<b>5.07</b>	<b>10.96</b>
<b>Net carrying amount as at 31<sup>st</sup> March, 2022</b>	<b>3.53</b>	<b>2.91</b>	<b>6.44</b>

### 4A INTANGIBLE ASSETS UNDER DEVELOPMENT

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Know how, Right to use & Patents	-	1.18
<b>TOTAL INTANGIBLE ASSETS UNDER DEVELOPMENT</b>	<b>-</b>	<b>1.18</b>

### INTANGIBLE ASSETS UNDER DEVELOPMENT SCHEDULE

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at 31<sup>st</sup> March, 2022</b>					
Projects in progress	-	-	-	1.18	<b>1.18</b>
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.18</b>	<b>1.18</b>

## Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### 5 RIGHT TO USE - LEASE

	<u>Right to use</u>
<b>Gross carrying amount</b>	
<b>Balance as at 1st April, 2022</b>	<b>117.30</b>
Additions	20.13
Deductions/ Adjustment	-
Amortisation	0.41
<b>Balance as at 31st March, 2023</b>	<b>137.02</b>
<b>Accumulated Depreciation</b>	
<b>Balance as at 1st April, 2022</b>	<b>38.57</b>
Additions	16.09
Deductions/ Adjustment	-
<b>Balance as at 31st March, 2023</b>	<b>54.66</b>
<b>Net carrying amount as at 1st April, 2022</b>	<b>78.73</b>
<b>Net carrying amount as at 31st March, 2023</b>	<b>82.36</b>
<b>Gross carrying amount</b>	
<b>Balance as at 1st April, 2021</b>	<b>92.61</b>
Additions	25.08
Deductions/ Adjustment	-
Amortisation	0.39
<b>Balance as at 31st March, 2022</b>	<b>117.30</b>
<b>Accumulated Depreciation</b>	
<b>Balance as at 1st April, 2021</b>	<b>25.45</b>
Additions	13.12
Deductions/ Adjustment	-
<b>Balance as at 31st March, 2022</b>	<b>38.57</b>
<b>Net carrying amount as at 1st April, 2021</b>	<b>67.16</b>
<b>Net carrying amount as at 31st March, 2022</b>	<b>78.73</b>

### 6 NON CURRENT INVESTMENTS

	<u>Quantity (in Nos)</u>		<u>Amount</u>	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>EQUITY SHARES FULLY PAID UP</b>				
<b>A. INVESTMENT IN ASSOCIATE</b>				
<b>QUOTED (At Cost)</b>				
Supreme Petrochem Ltd. (an associate Company - 30.78% equity stake held [Previous year 30.78%]) [Face value @ ₹ 2 each (Previous year @ ₹ 4 each)]	<b>57872800</b>	28936400	<b>10.99</b>	10.99
Goodwill on acquisition			<b>5.03</b>	5.03
Accumulated share in profit at the beginning of the year			<b>454.20</b>	297.81
Share in profit - current year			<b>153.31</b>	204.13
Share in other comprehensive income			<b>(0.13)</b>	(0.25)
Dividend received during the year including share of dividend distribution tax			<b>(52.09)</b>	(47.75)
Adjustments for unrealised profit on stock in hand			<b>(0.06)</b>	0.26
<b>TOTAL INVESTMENT IN ASSOCIATE</b>			<b>571.25</b>	470.22

## Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### B. OTHER INVESTMENTS

QUOTED (Fair value through Profit & Loss Account)

Bank of Baroda

1286 1286 0.02 0.01

Central Bank of India

5874 5874 0.01 0.01

Unimers India Ltd.

37 37 - -

UNQUOTED (Fair value through Profit & Loss Account)

Saraswat Co-op. Bank Ltd.

1000 1000 - -

Windage Power Company Private Ltd.\*

65550 54550 0.06 0.05

Nu Power Wind Farms Limited\*

10378 10378 0.01 0.01

INVESTMENT IN PARTNERSHIP

HPC Research s.r.o. (LLC)\*\*

6.00 5.59

**TOTAL OTHER INVESTMENTS**

**6.10 5.67**

**TOTAL NON CURRENT INVESTMENTS [A+B]**

**577.35 475.89**

\*Lying in escrow account

Aggregate market value of quoted investments

2146.83 2675.63

Aggregate carrying value of unquoted investments

6.07 5.65

Aggregate carrying value of quoted investments

571.28 470.24

\*\* Name of Partners and shares

1. Special engineering s.r.o. (45%)
2. Andriy Zakharchuk (45%)
3. The Supreme Industries Limited (10%)

### 7 DEPOSITS

Sundry deposits considered good - Unsecured

Non-Current

Current

31-Mar-23 31-Mar-22 31-Mar-23 31-Mar-22

27.81 22.41 1.06 1.94

**TOTAL DEPOSITS**

**27.81 22.41 1.06 1.94**

### 8 LOANS

Loans to employees considered good - Unsecured

Non-Current

Current

31-Mar-23 31-Mar-22 31-Mar-23 31-Mar-22

1.69 1.17 1.94 4.04

Loans to employees - credit impaired

0.04 0.04 - -

1.73 1.21 1.94 4.04

Less: Provision for doubtful Loans to employees

0.04 0.04 - -

**TOTAL LOANS**

**1.69 1.17 1.94 4.04**

### 9 OTHER FINANCIAL ASSETS

Interest accrued and due on fixed deposits

Current

31-Mar-23 31-Mar-22

0.47 0.35

Share application money towards 242109 equities shares of Upendra Singh Multi

1.12 1.12

Transmission Private Limited - Since allotted (As at 31st March' 2022 - 682927 equities shares of Belenus Solar Pvt Ltd.)

Amount receivable from Associate towards its capital reduction-Since received

- 17.36

E-Wallet balances

0.73 0.17

**TOTAL OTHER FINANCIAL ASSETS**

**2.32 19.00**

## Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### 10 OTHER ASSETS

(Unsecured - Considered good)

	Non-Current		Current	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Capital advances	29.14	42.12	–	–
Advance to Suppliers	–	–	83.52	54.83
Advances/claims recoverable	–	–	37.92	22.18
Prepaid expenses	1.65	1.31	15.49	11.31
Refunds due/balances from/with government authorities	29.95	54.62	104.65	93.38
<b>TOTAL OTHER ASSETS</b>	<b>60.74</b>	<b>98.05</b>	<b>241.58</b>	<b>181.70</b>

### 11 INVENTORIES

(Cost or Net realisable value whichever is lower)

	As at 31-Mar-23	As at 31-Mar-22
Raw materials and components [including goods in transit ₹ 68.71 crores (As at 31st March' 2022 - ₹ 70.13 crores)]	803.44	632.44
Finished goods [(including goods in transit ₹ 3.28 crores (As at 31st March' 2022 - ₹ 5.53 crores)]	462.39	511.50
Semi-finished goods	68.47	74.34
Stock-in-trade	15.67	6.52
Stores, spare parts, and consumables	21.44	21.89
Packing materials	14.23	13.47
<b>TOTAL INVENTORIES</b>	<b>1385.64</b>	<b>1260.16</b>

**Note:** Write down of Inventories to Net Realisable Value by ₹ 5.80 crores (Previous year ₹ 2.71 crores) based on management inventory policy for Non & slow moving inventory. The same has been recognised as an expense during the year and included in the "Changes in value of Inventory of "semi finished goods" and "finished goods" in the statement of Profit and Loss.

### 12 TRADE RECEIVABLES

	As at 31-Mar-23	As at 31-Mar-22
Trade Receivables considered good - Unsecured	492.52	465.68
Trade Receivables which have significant increase in Credit Risk	2.45	3.17
Trade Receivables - credit impaired	4.93	4.44
	<b>499.90</b>	<b>473.29</b>
Less: Provision for doubtful trade receivables	7.52	6.48
<b>TOTAL TRADE RECEIVABLES</b>	<b>492.38</b>	<b>466.81</b>

#### TRADE RECEIVABLES AGEING SCHEDULE:

Particulars	Not Due/ Unbilled	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31<sup>st</sup> March, 2023</b>							
i) Undisputed Trade receivables – considered good	386.94	103.03	1.08	1.04	0.17	0.26	492.52
ii) Undisputed Trade Receivables – which have significant increase in credit Risk	–	1.20	1.12	0.09	0.04	–	2.45
iii) Undisputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
iv) Disputed Trade receivables – considered good	–	–	–	–	–	–	–
v) Disputed Trade Receivables – which have significant increase in credit Risk	–	–	–	–	–	–	–
vi) Disputed Trade Receivables – credit impaired	–	–	–	1.60	0.87	2.46	4.93
Subtotal	386.94	104.23	2.20	2.73	1.08	2.72	499.90
Less: Provision for doubtful trade receivables			0.99	2.73	1.08	2.72	7.52
<b>Total</b>	<b>386.94</b>	<b>104.23</b>	<b>1.21</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>492.38</b>

## Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

Particulars	Not Due/ Unbilled	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31<sup>st</sup> March, 2022</b>							
i) Undisputed Trade receivables – considered good	375.81	84.11	4.08	0.42	0.26	0.23	<b>464.91</b>
ii) Undisputed Trade Receivables – which have significant increase in credit Risk	–	0.01	2.26	0.66	0.09	0.15	<b>3.17</b>
iii) Undisputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
iv) Disputed Trade receivables – considered good	–	–	–	0.77	–	–	<b>0.77</b>
v) Disputed Trade Receivables – which have significant increase in credit Risk	–	–	–	–	–	–	–
vi) Disputed Trade Receivables – credit impaired	–	0.17	0.60	1.20	0.19	2.28	<b>4.44</b>
Subtotal	375.81	84.29	6.94	3.05	0.54	2.66	<b>473.29</b>
Less: Provision for doubtful trade receivables			0.23	3.05	0.54	2.66	<b>6.48</b>
<b>Total</b>	<b>375.81</b>	<b>84.29</b>	<b>6.71</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>466.81</b>

### 13 CASH AND CASH EQUIVALENTS

Balance with banks in current and cash credit accounts  
Cash on hand  
Remittances in transit  
Investment in liquid mutual funds/deposits\*

#### TOTAL CASH AND CASH EQUIVALENTS

\*Investment in Liquid Mutual funds/deposits includes:

	As at 31–Mar–23	As at 31–Mar–22
Balance with banks in current and cash credit accounts	116.77	92.49
Cash on hand	0.22	0.23
Remittances in transit	0.13	–
Investment in liquid mutual funds/deposits*	620.84	426.15
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>737.96</b>	<b>518.87</b>

#### Scheme Name

#### Liquid Mutual funds

Scheme Name	Units (in Nos.) as at 31-Mar-23	As at 31–Mar–23	As at 31–Mar–22
ABSL Liquid Fund	1552658	51.74	60.16
Axis Liquid Fund	245333	61.36	60.19
BNP Paribas Liquid Fund	108169	28.07	9.09
Baroda BNP Paribas Overnight Fund	165017	20.57	
DSP Liquid Fund	46928	15.10	
Franklin India Liquid Fund	14857	5.02	
HDFC Liquid Fund	171313	75.78	65.15
HSBC Liquid Fund	114119	25.59	
ICICI Prudential Liquid Fund	1525839	50.27	60.12
Kotak Liquid Fund	163434	74.34	61.11
LIC Liquid Fund	24621	10.06	
Mahindra Manulife Liquid Fund	259559	38.02	
Nippon India Liquid Fund	27316	15.04	
SBI Liquid Fund	173425	61.34	65.18
Sundaram Liquid Fund	151977	30.21	
Tata Liquid Fund	28475	10.11	45.15
Union Liquid Fund	189730	41.16	
UTI Money Market Fund	26804	7.06	
<b>Total</b>		<b>620.84</b>	<b>426.15</b>

**Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023**

₹ In Crores

**14 OTHER BANK BALANCES**

Deposit with banks (Earmarked for electricity/sales tax/margin money)  
Unclaimed dividend  
**TOTAL OTHER BANK BALANCES**

	As at 31-Mar-23	As at 31-Mar-22
	2.84	2.12
	5.28	5.24
	<b>8.12</b>	<b>7.36</b>

**15 EQUITY SHARE CAPITAL**

**AUTHORISED**

15,00,00,000 Nos. Equity Shares of ₹ 2 each  
1,12,00,000 Nos. Preference Shares of ₹ 10 each  
3,38,00,000 Nos. Unclassified Shares of ₹ 10 each

**ISSUED, SUBSCRIBED AND PAID UP**

12,70,26,870 Nos. Equity Shares of ₹ 2 each Fully Paid Up

**TOTAL SHARE CAPITAL**

	As at 31-Mar-23	As at 31-Mar-22
	30.00	30.00
	11.20	11.20
	33.80	33.80
	<b>75.00</b>	<b>75.00</b>
	<b>25.41</b>	<b>25.41</b>
	<b>25.41</b>	<b>25.41</b>

(a) <b>The reconciliation of the number of equity shares outstanding</b>	As at 31-Mar-23		As at 31-Mar-22	
	Numbers	Amount	Numbers	Amount
Equity Shares at the beginning of the year	127026870	25.41	127026870	25.41
Equity Shares at the end of the year	127026870	25.41	127026870	25.41

(b) **Terms/rights attached to Equity shares :**

The Company has only one class of issued Equity Shares having a par value of ₹ 2 per share. Each Shareholder is eligible for one vote per share held.

In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) **The details of Shareholders holding more than 5% shares:**

Name of the Shareholders	31-Mar-23		31-Mar-22	
	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding
Boon Investment and Trading Company Pvt Ltd	20457956	16.11%	20457956	16.11%
Jovial Investment and Trading Company Pvt Ltd	20478638	16.12%	20478638	16.12%
Venkatesh Investment and Trading Company Pvt Ltd	18041229	14.20%	18041229	14.20%

(d) **The details of Shares held by promoters at the end of the year**

Promoter name	2022-23			2021-22		
	No. of Equity Shares	Equity Shares %	% Change during the year	No. of Equity Shares	Equity Shares %	% Change during the year
Boon Investment and Trading Company Pvt Ltd	20457956	16.11%	–	20457956	16.11%	–
Jovial Investment and Trading Company Pvt Ltd	20478638	16.12%	–	20478638	16.12%	–
Venkatesh Investment and Trading Company Pvt Ltd	18041229	14.20%	–	18041229	14.20%	–
Platinum Plastic And Industries Private Limited	49100	0.04%	–	49100	0.04%	–
Suraj Packaging Private Limited	6300	0.00%	–	6300	0.00%	–
Space Age Chemplast Pvt Ltd	30000	0.02%	–	30000	0.02%	–
Mahaveer Prasad Taparia	749186	0.59%	–	749186	0.59%	–



## Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

Promoter name	2022-23			2021-22		
	No. of Equity Shares	Equity Shares %	% Change during the year	No. of Equity Shares	Equity Shares %	% Change during the year
Shri Bajranglal Taparia	317398	0.25%	–	317398	0.25%	–
Shivratan Taparia	703816	0.55%	–	703816	0.55%	–
Vijay Kumar Taparia	244890	0.19%	–	244890	0.19%	–
Kamleshdevi Taparia	302830	0.24%	–	302830	0.24%	–
Kusumdevi Taparia	98690	0.08%	–	98690	0.08%	–
Vivek Kumar Taparia	162230	0.13%	–	162230	0.13%	–
Priyanka Devi Taparia	141500	0.11%	–	141500	0.11%	–
Anika Vivekkumar Taparia	20000	0.02%	–	20000	0.02%	–
Viren Vivek Taparia	200050	0.16%	–	200050	0.16%	–
Akshay Vivekkumar Taparia	50000	0.04%	–	50000	0.04%	–
<b>Total</b>	<b>62053813</b>	<b>48.85%</b>	<b>–</b>	<b>62053813</b>	<b>48.85%</b>	<b>–</b>

(e) **In the Period of five years immediately preceding March, 2023:**

The Company has not allotted any equity shares as fully paid up without payment being received in cash or as Bonus Shares or Bought back any equity shares.

### 16 OTHER EQUITY

	As at 31-Mar-23	As at 31-Mar-22
Capital reserve	–	2.49
Securities premium	47.49	47.49
Capital redemption reserve	2.22	2.22
Foreign exchange translation reserve	0.65	0.44
General reserve	4089.33	3551.78
Retained earnings	254.05	228.65
Accumulated other comprehensive income	(17.03)	(14.12)
	<b>4376.71</b>	<b>3818.95</b>

**Nature & Purpose of the Reserve:**

Capital reserve: Capital reserve represents the capital subsidy received by the Company.

Securities premium: Securities premium is credited when shares are issued at premium. This will be utilised in accordance with the provisions of the Act.

Capital redemption reserve: Capital redemption reserve is being created by transfer from Retained earnings at the time of buy back of equity shares in accordance with the Act. The reserve will be utilised in accordance with the provisions of the Act.

General reserve: The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

### 17 DEPOSITS

	Non-Current		Current	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Trade / security deposits	2.32	4.03	5.17	1.68
<b>TOTAL DEPOSITS</b>	<b>2.32</b>	<b>4.03</b>	<b>5.17</b>	<b>1.68</b>

**Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023**

₹ In Crores

**18 PROVISIONS**

	Non-Current		Current	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>Provision for employee benefits:</b>				
Compensated absences	26.35	24.39	8.50	7.60
<b>TOTAL PROVISIONS</b>	<b>26.35</b>	<b>24.39</b>	<b>8.50</b>	<b>7.60</b>

**19 TRADE PAYABLES**

	As at 31-Mar-23	As at 31-Mar-22
Due to:		
Micro, small and medium enterprises	4.74	22.15
Creditors other than micro, small and medium enterprises	899.01	771.86
<b>TOTAL TRADE PAYABLES</b>	<b>903.75</b>	<b>794.01</b>

**Note:**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act, to the extent information available to the Company are as follows:

	As at 31-Mar-23	As at 31-Mar-22
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4.74	22.15
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	–	–
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	–	–
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	–	–
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	–	–
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	–	–
Further interest remaining due and payable for earlier years	–	–

**3. Trade Payables Ageing Schedule:**

Particulars	Not Due/ Unbilled	Outstanding for following periods from due date of payment				Total
		Less Than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31<sup>st</sup> March, 2023</b>						
i) Micro, small and medium enterprises	3.84	0.90	–	–	–	4.74
ii) Creditors other than micro, small and medium enterprises	698.07	197.70	0.70	0.01	2.53	899.01
iii) Disputed dues – Micro, small and medium enterprises	–	–	–	–	–	–
iv) Disputed dues other than micro, small and medium enterprises	–	–	0.70	0.01	2.53	3.24
<b>As at 31<sup>st</sup> March, 2022</b>						
i) Micro, small and medium enterprises	17.07	5.08	–	–	–	22.15
ii) Creditors other than micro, small and medium enterprises	277.52	486.54	2.55	3.13	2.12	771.86
iii) Disputed dues – Micro, small and medium enterprises	–	–	–	–	–	–
iv) Disputed dues other than micro, small and medium enterprises	–	–	0.80	0.63	2.12	3.55

## Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### 20 OTHER FINANCIAL LIABILITIES

	As at 31-Mar-23	As at 31-Mar-22
Payables towards property, plant & equipment	73.36	41.40
Unclaimed dividend*	5.28	5.24
Unpaid matured deposits & interest accrued thereon	0.01	0.01
Derivative financial liabilities	0.85	2.49
<b>TOTAL OTHER FINANCIALS LIABILITIES</b>	<b>79.50</b>	<b>49.14</b>

\*Investor Education and Protection Fund (IEPF) credited when due. As at March 31st 2023, no balances were due to be transferred to IEPF.

### 21 OTHER CURRENT LIABILITIES

	As at 31-Mar-23	As at 31-Mar-22
Advances from customers	42.98	43.66
Statutory dues	79.63	89.01
Other payables	1.92	1.87
<b>TOTAL OTHER CURRENT LIABILITIES</b>	<b>124.53</b>	<b>134.54</b>

### 22 INCOME TAX ASSETS/LIABILITIES (NET)

	As at 31-Mar-23	As at 31-Mar-22
Income tax assets [net of income tax provision ₹ 245.20 Crores (As at 31st March' 2022 - ₹ 264.81 crores)]	7.68	15.42
<b>TOTAL INCOME TAX ASSETS (NET)</b>	<b>7.68</b>	<b>15.42</b>

### 23 REVENUE FROM OPERATIONS

	2022 - 2023	2021 - 2022
<b>Sale of Goods</b>		
Plastic Products	9010.30	7569.34
<b>Traded Goods</b>		
Plastic Products	46.68	47.38
Polymers & Others	71.84	105.89
	<b>9128.82</b>	<b>7722.61</b>
<b>Sale of services</b>		
Income from processing	8.57	8.53
<b>Other operating income</b>		
Government grants/subsidy*	18.49	10.32
Export incentives	6.33	5.12
Sale of empty bags and other scrap etc.	23.32	17.59
Insurance and other claims	1.64	0.35
Liabilities no longer required written back	14.42	8.30
	<b>64.20</b>	<b>41.68</b>
<b>TOTAL REVENUE FROM OPERATIONS</b>	<b>9201.59</b>	<b>7772.82</b>

\*Includes long overdue subsidy written off ₹ 15.42 Crores and reinstatement of ₹ 7.09 Crores Grant/Subsidy during the year 2022-23, Pursuant to clarification issued in respect of / revision of IPS Scheme.

## Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### 24 OTHER INCOME

	2022 - 2023	2021 - 2022
Profit on redemption of liquid mutual funds on current investments designated at FVTPL	18.82	8.47
Fair valuation of liquid mutual funds on current investments designated at FVTPL	4.58	0.90
Profit on sale/discard of property, plant and equipment (net)	1.80	2.98
Interest received	2.43	1.36
Profit on sale of non current investments	-	5.40
Miscellaneous Income	2.14	0.84
<b>TOTAL OTHER INCOME</b>	<b>29.77</b>	<b>19.95</b>

### 25 COST OF MATERIALS CONSUMED

	2022 - 2023	2021 - 2022
Cost of raw materials consumed	6275.22	5301.22
Cost of packing materials consumed	149.38	127.71
<b>TOTAL COST OF MATERIALS</b>	<b>6424.60</b>	<b>5428.93</b>

### 26 CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI FINISHED GOODS & STOCK-IN-TRADE

	2022 - 2023	2021 - 2022
<b>Inventories at the beginning of the year</b>		
Finished goods / Semi finished goods	585.84	373.60
Stock-in-trade	6.52	6.49
	<u>592.36</u>	<u>380.09</u>
<b>Inventories at the end of the year</b>		
Finished goods / Semi finished goods	530.86	585.84
Stock-in-trade	15.67	6.52
	<u>546.53</u>	<u>592.36</u>
<b>Change in inventories</b>	<b>45.83</b>	<b>(212.27)</b>
<b>TOTAL CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI FINISHED GOODS &amp; STOCK-IN-TRADE</b>	<b>45.83</b>	<b>(212.27)</b>

### 27 EMPLOYEE BENEFITS EXPENSES

	2022 - 2023	2021 - 2022
Salaries and wages	292.36	266.36
Contribution to provident and other funds	15.50	13.50
Managerial remuneration	45.40	46.25
Staff welfare expenses	21.53	19.17
<b>TOTAL EMPLOYEE BENEFITS EXPENSES</b>	<b>374.79</b>	<b>345.28</b>

### 28 FINANCE COSTS

	2022 - 2023	2021 - 2022
Interest on lease liabilities	5.99	3.76
Unwinding of discount on deferred sales tax	-	0.09
Other borrowing costs	1.48	1.00
Interest on income tax	0.55	0.30
<b>TOTAL FINANCE COSTS</b>	<b>8.02</b>	<b>5.15</b>

## Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

### 29 OTHER EXPENSES

	2022 - 2023	2021 - 2022
Stores & spare parts consumed	54.88	45.87
Labour charges	245.72	194.33
Power & fuel	266.65	213.43
Repairs & maintenance of buildings	4.85	7.52
Repairs & maintenance of plant & machinery	17.30	14.48
Repairs & maintenance (others)	18.87	15.14
Directors' Fees and Commission to non executive directors	1.35	1.30
Rent, rates & taxes	4.24	5.02
Insurance	9.27	8.19
Corporate social responsibility and donations	19.08	15.87
Legal & professional fees	13.34	19.55
Travelling & conveyance	39.42	26.62
Vehicle expenses	3.76	3.58
Advertisement, publicity & business promotion	98.01	63.12
Freight and forwarding charges	150.12	129.32
Printing, stationery & communication	8.71	8.71
Commission	22.20	19.02
Bad debts	0.05	0.04
Provision for doubtful debts	1.26	-
Plant security services	14.82	14.33
Inspection, testing, registration and marking fees	10.14	7.63
Foreign currency exchange fluctuation (net)	16.25	14.01
Miscellaneous expenses	7.64	5.18
<b>TOTAL OTHER EXPENSES</b>	<b>1027.93</b>	<b>832.26</b>

### 30 INVESTMENT IN ASSOCIATE :

#### Details and material financial information of Associate:

Summarised financial information in respect of Group's material associate is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

#### Supreme Petrochem Limited

Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Group	
		As at 31-Mar-2023	As at 31-Mar-2022
Business of Styrenics and Manufactures of Polystyrene and Masterbatches	India	30.78%	30.78%

The above associate is accounted for using the equity method in these consolidated financial statements.

#### Summarised financial information of Associate:

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Non-current assets	702.51	533.34
Current assets	2028.51	1744.96
Non-current liabilities	44.98	57.82
Current liabilities	842.18	704.84
Contingent liabilities	163.35	153.37
Commitments	46.61	34.36

## Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

Particulars	2022 - 2023	2021 - 2022
Revenue	5346.14	5062.80
Profit/(loss) for the year	498.14	663.26
Other comprehensive income for the year (net of taxes)	(0.44)	(0.83)
Total comprehensive income for the year	497.70	662.44
Dividends received from the associate during the year	52.09	47.75

### 31 SEGMENT REPORTING :

Particulars	2022 - 2023	2021 - 2022
<b>1) Segment revenue</b>		
Plastics piping products	6037.53	5045.99
Industrial products	1341.63	1023.67
Packaging products	1319.13	1210.11
Consumer products	444.60	405.09
Others	58.70	87.96
Net Revenue from operations	9201.59	7772.82
<b>2) Segment results</b>		
Plastics piping products	679.27	783.88
Industrial products	123.92	85.26
Packaging products	91.53	100.91
Consumer products	67.82	54.07
Others	(2.69)	8.45
<b>Total segment profit before interest and tax</b>	<b>959.85</b>	<b>1032.57</b>
Add: Share of profit/(loss) of associate	153.25	204.39
Less: Finance cost	8.02	5.15
Less: Other Un-allocable Expenditure	23.56	19.98
Add: Un-allocable Income	29.77	19.95
<b>Profit before tax</b>	<b>1111.29</b>	<b>1231.78</b>
Less: Provision for tax	245.96	263.33
Add: Other comprehensive income (net of tax)	(2.91)	(1.19)
<b>Profit after tax</b>	<b>862.42</b>	<b>967.26</b>

#### Business segments

Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Managing Director/Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along with these business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments. The Company's principal operations are located in its country of domicile i.e. India.

#### Segment assets and liabilities

The Company is engaged mainly in production of plastic products. Most of the assets, liabilities of the aforesaid reportable segments are interchangeable or not practically allocable and any forced allocation would not result in any meaningful segregation. Accordingly, segment assets, liabilities have not been presented.

No customer individually accounted for more than 10% of the revenues in the years ended 31st March, 2023 and 31st March, 2022.

### 32 EARNINGS PER SHARE (EPS)

	2022 - 2023	2021 - 2022
Profit after tax(PAT)	865.33	968.45
Weighted average number of equity Shares (In Nos.)	127026870	127026870
Nominal value of equity Shares (In ₹)	2.00	2.00
Basic & diluted earning per share (In ₹)	68.12	76.24

## Notes to the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

₹ In Crores

- 33** There is only one foreign subsidiary company with insignificant transactions. The accounting policies and notes to accounts being similar to that of the holding company as stated in standalone financial statements are not appended hereto.
- 34** The previous year's figures have been re-grouped / re-classified wherever required to conform to current year's classification.

Signature to Notes 1-34

For and on behalf of the Board

**B. L. Taparia**

*Chairman*

(DIN No. 00112438)

**M. P. Taparia**

*Managing Director*

(DIN No. 00112461)

**S. J. Taparia**

*Executive Director*

(DIN No. 00112513)

**V. K. Taparia**

*Executive Director*

(DIN No. 00112567)

**R. M. Pandia**

*Director*

(DIN No. 00021730)

**Ameeta Parpia**

*Director*

(DIN No. 02654277)

**R. Kannan**

*Director*

(DIN No. 00380328)

**Sarthak Behuria**

*Director*

(DIN No. 03290288)

**P. C. Somani**

*Chief Financial Officer*

**R. J. Saboo**

VP (Corporate Affairs) & Company Secretary

Mumbai, 28<sup>th</sup> April, 2023

## Details of Manufacturing & Fabrication Units:

S. No.	States	Locations	Address	GST Nos.	Type	Products
1	Assam	Guwahati Unit-I	The Supreme Industries Limited Dag No. 275 & 306, Epip Zone, Post Amingaon, Village Numalijolahko Mouza, SilasundariGopa, North Guwahati Dist. Kamrup, Assam-781031, India	18AAACT1344F1ZN	Manufacturing Unit	Material Handling Products, Furniture
2	Assam	Guwahati Unit-II	The Supreme Industries Limited Patta No.55,16,113,27, Dag No.199,200,1,490,472,473, BR Industrial Park , Phase - 1, Nh - 27, Vill-Dinkar, Pobaihata, PS-Kamalpur, Kamrup, Assam-781380, India.	18AAACT1344F7ZH	Manufacturing unit	Plastics Piping Products
3	Gujarat	Halol Unit-I	The Supreme Industries Limited Factory at Plot No. 1307 & Plot No. 216, GIDC Industrial Estate Halol Dist. Panchmahals, Gujarat- 389 350, India	24AAACT1344F1ZU	Manufacturing Unit	Cross Laminated Film & Products
4	Gujarat	Halol Unit-II	The Supreme Industries Limited Survey No. 123/1 & 123/2 Paiky -1 Village - Muvala, Khakhariamadhasraod, Get Muvala, Taluka :Halol Dist. Godhra (pms)-389350 Gujrat, India	24AAACT1344F1ZU	Manufacturing Unit	Cross Laminated Film & Products
5	Gujarat	Halol Unit-III	The Supreme Industries Limited Survey No. 188/1 & 189 (part) Chandrapura Dist. Panchmahal, Halol-389350 Gujrat, India	24AAACT1344F1ZU	Manufacturing Unit	Composite LPG Cylinder
6	Gujarat	Halol Unit-IV	The Supreme Industries Limited 703 GIDC Halol – Dist. Panchmahals-389350, Gujrat, India	24AAACT1344F1ZU	Manufacturing Unit	Cross Laminated Film & Products
7	Gujarat	Halol Unit-V	The Supreme Industries Limited Shed No.807, 809, C/o Mig Metals Pvt. Ltd., Gidc Estate, Halol, Panchmahals, Gujarat 389350	24AAACT1344F1ZU	Fabrication unit	Cross Laminated Film Products
8	Haryana	Gurgaon	The Supreme Industries Limited Sector 6, Plot No. 210, Itm Manesar, Gurgaon, Gurgaon,gurgaon, Haryana, 122050	06AAACT1344F1ZS	Fabrication unit	Protective Packaging Products
9	Madhya Pradesh	Malanpur Unit-I	The Supreme Industries Limited Plot No N-1 To N-12, Ghironghi Industrial, Area, Malanpur, Bhind, Madhya Pradesh, 477116	23AAACT1344F4ZT	Manufacturing Unit	Protective Packaging Products
10	Madhya Pradesh	Malanpur Unit-II	The Supreme Industries Limited Factory At Plot No. K-1 To K-4 K-8 K-9 Ghirongiindl Area, Malanpur, Madhya Pradesh-477116, India	23AAACT1344F3ZU	Manufacturing Unit	Plastics Piping Products
11	Madhya Pradesh	Malanpur Unit-III	The Supreme Industries Limited Roto Moulding Division Gag-14 Ghironghi Industrial Area, Malanpur, Dist. Bhind- Madhya Pradesh-477116 India	23AAACT1344F6ZR	Manufacturing Unit	Plastics Piping Products
12	Maharashtra	Gadegaon	The Supreme Industries Limited Factory At Unit No. Iii, Plot No. 47,47/2, 48-50,55-66,69,70,72,73,77 To 83/1, 83/2, 84 & 85, Gadegaon, Jalgaon To Aurangabad Road, Taluka - Jamner, Dist.- Jalgaon-425114, Maharashtra, India	27AAACT1344F1ZO	Manufacturing Unit	Plastics Piping Products, Industrial Components, Furniture, Material Handling Products
13	Maharashtra	Jalgaon Unit-I	The Supreme Industries Limited Factory At D101/102, Midc & Survey(ghat) No 242/ 1 & 2, 245/03 And Survey No 244/2,3,4 & 5, Jalgaon-425003 Maharashtra, India	27AAACT1344F1ZO	Manufacturing Unit	Plastics Piping Products
14	Maharashtra	Jalgaon Unit-II	The Supreme Industries Limited Unit No 2,plot No H-20 Midc,ajanta Road Jalgaon-425003 Maharashtra, India	27AAACT1344F1ZO	Manufacturing Unit	Plastics Piping Products
15	Maharashtra	Khopoli	The Supreme Industries Limited Factory At Takaiadoshi Road Village Honad, Khopoli-410203, Maharashtra India	27AAACT1344F1ZO	Manufacturing Unit	Performance Packaging Films
16	Maharashtra	Kanhe	The Supreme Industries Limited Factory At Post Kanhe, Tal Maval,talegaon, Pune-412106, Maharashtra, India	27AAACT1344F1ZO	Manufacturing Unit	Industrial Components, Material Handling Products
17	Maharashtra	Urse	The Supreme Industries Limited Cut No. 420 To 424, Urseaval Talegaon Dabhade, Pune-410506, Maharashtra, India	27AAACT1344F1ZO	Manufacturing Unit	Protective Packaging Products



## Details of Manufacturing & Fabrication Units:

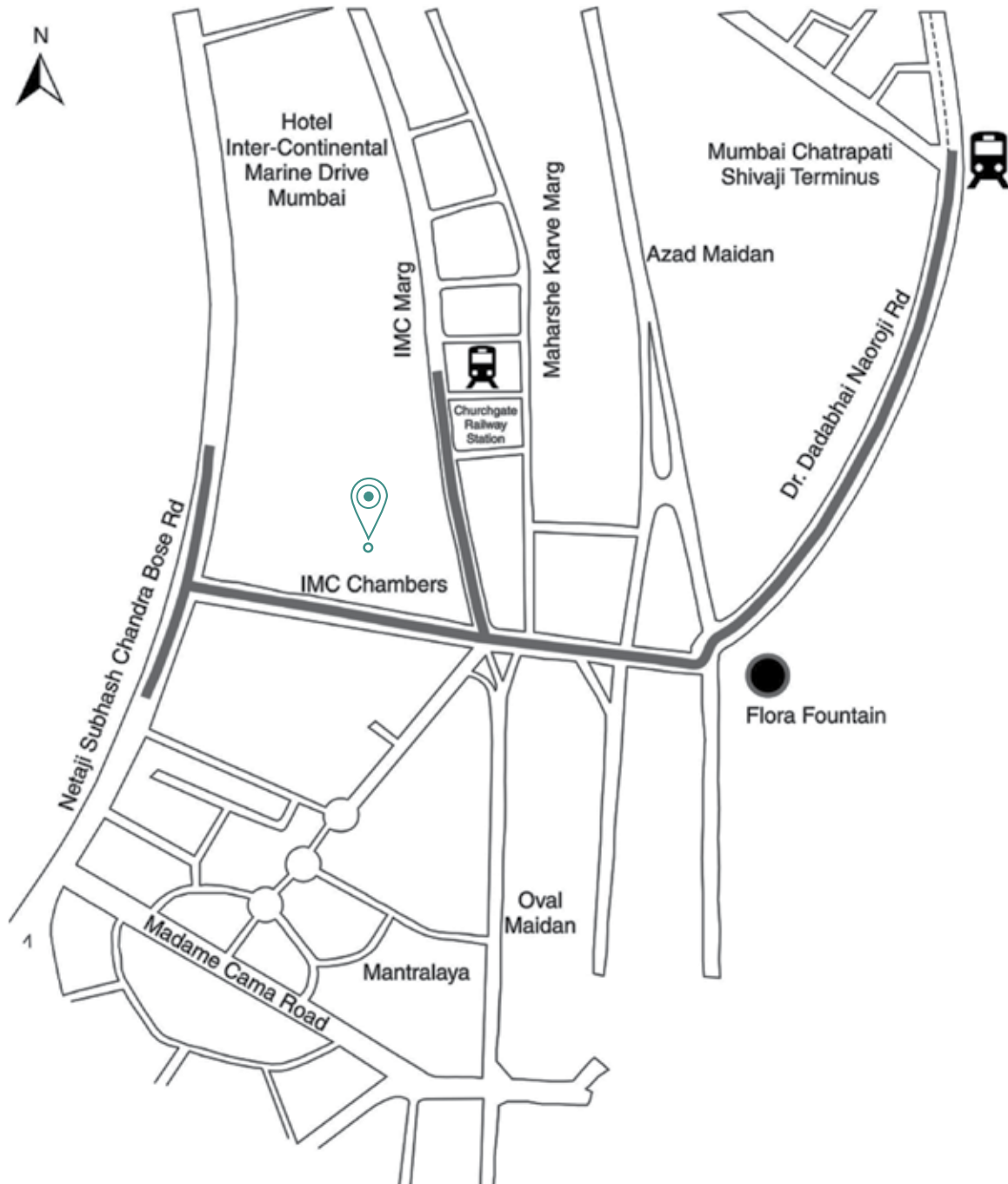
S. No.	States	Locations	Address	GST Nos.	Type	Products
18	Maharashtra	Urse	The Supreme Industries Limited Gat No. 474, Urse, Urse-maval, Talegaon-dabhade, Pune, Maharashtra, 410506	27AAACT1344F1ZO	Fabrication unit	Protective Packaging Products
19	Maharashtra	Waluj	The Supreme Industries Limited Plot No.5 Gat No. 54, M/s. Vedant Enterprise,, Midc Walunj, Aurangabad, Aurangabad, Mh	27AAACT1344F1ZO	Fabrication unit	Protective Packaging Products
20	Orissa	Cuttack	The Supreme Industries Limited Mauza Bhogara, Plot No - 837, 876 and 771 and 40 sub plots, Beside Khuntuni 132/33kv GIS Power Grid Substation, NH - 55 Thana Gurudijhatia, Tahasil - Athagarh, Cuttack, Odisha, 754029	21AAACT1344F2ZZ	Manufacturing unit	Plastics Piping Products
21	Puducherry (Union Territory)	Puducherry	The Supreme Industries Limited R.s.no.90 & 91 Sanyasikuppam Village, Thirubhuvani Post, Pondy-605107, India	34AAACT1344F1ZT	Manufacturing Unit	Industrial Components, Material Handling Products, Furniture, Plastics Piping Products
22	Puducherry (Union Territory)	Puducherry	The Supreme Industries Limited Rs No. 86/1 And 86/2, Sanyasikuppam Village, Thirubhuvanai, Pondicherry, Puducherry, 605107	34AAACT1344F1ZT	Fabrication unit	Protective Packaging Products
23	Puducherry (Union Territory)	Puducherry	The Supreme Industries Limited R.s.no.95/1, 95/2 And 4/1a, Sanyasikuppam Village, Thirubhuvanai - Post, Pondicherry, Puducherry, 605107	34AAACT1344F1ZT	Manufacturing Unit	Plastics Piping Products
24	Punjab	Derabassi	The Supreme Industries Limited Village Sersani, Near Lalru, Ambala Chandigarh Highway, Dist. Sas Nagar, Punjab-140501, India	03AAACT1344F1ZY	Manufacturing Unit	Material Handling Products, Furniture
25	Rajasthan	Ghiloth	The Supreme Industries Limited Plot No.: A-211, Ghiloth Industrial Area, Rajasthan-301705, India	08AAACT1344F1ZO	Manufacturing Unit	Industrial Components
26	Silvassa (Union Territory)	Silvassa	The Supreme Industries Limited Factory At Survey No.175/1 And 175/2, Via Athal Tin Rasta Near Luharithal, Village Kharadpada, Dadra & Nagar Haveli, Silvassa-396230, India	26AAACT1344F1ZQ	Manufacturing Unit	Cross Laminated Film & Products
27	Tamilnadu	Hosur - I	The Supreme Industries Limited S.f. No. 22/3, 22/2b, 23/1b, 24/1a, & 593/1b1 Biramangalam Village Denkanikotta Taluka, Dist. Krishnagiri, Hosur-635109, India	33AAACT1344F1ZV	Manufacturing Unit	Protective Packaging Products
28	Tamilnadu	Hosur - II	The Supreme Industries Limited 828/2A2, Kelamangalam, Byramangalam, Krishnagiri, Tamil Nadu, 635113	33AAACT1344F1ZV	Fabrication unit	Protective Packaging Products
29	Tamilnadu	Sriperumbudur	The Supreme Industries Ltd. Plot G -14 & 15 Sipcot Indl. Park, Sripermbudur, Dist. Kancheepuram, Chennai-602105, India	33AAACT1344F1ZV	Manufacturing Unit	Industrial Components
30	Tamilnadu	Chennai	The Supreme Industries Limited No. 19, Numbal Road, Numbal, Chennai, Chennai, Tamil Nadu, 600077	33AAACT1344F1ZV	Fabrication unit	Protective Packaging Products
31	Tamilnadu	Perundurai	The Supreme Industries Limited Plot No Nn-7 And Nn-8, Sipcot Industrial Growth Centre, Perundurai, Erode, Tamil Nadu, 638052	33AAACT1344F1ZV	Manufacturing Unit	Plastics Piping Products
32	Telangana	Jadcherla	The Supreme Industries Limited Plot No. 24, 26 To 40, 43 To 45, 41p, 42p, 47p, 48p, Gijadcherla, Jadcherla Mandal, Polepally Village, mahabubnagar, Telangana, 509301	36AAACT1344F1ZP	Manufacturing Unit	Plastics Piping Products, Material Handling Products, Furniture, Protective Packaging Products
33	Uttar Pradesh	Kanpur	The Supreme Industries Limited H1-h8, H1/a, H9/1 And Khasra No. 135,136,137 & 141 Upsidc Ind. Area Jainpur, Kanpur Dehat-up 209311, India	09AAACT1344F1ZM	Manufacturing Unit	Plastics Piping Products

### Details of Manufacturing & Fabrication Units:

S. No.	States	Locations	Address	GST Nos.	Type	Products
34	Uttar Pradesh	Noida	The Supreme Industries Limited Factory At C 30 To 31 Phase II Noida District, Gautam Budh Nagar, Uttar Pradesh-201305, India	09AAACT1344F1ZM	Manufacturing Unit	Industrial Components
35	Uttarakhand	Rudrapur	The Supreme Industries Limited Near Kingfisher Bottling Plant, Vill Simla Pistor, Kiccha Road, Rudrapur, Udham Singh Nagar, Uttarakhand, 263153	05AAACT1344F1ZU	Fabrication unit	Protective Packaging Products
36	West Bengal	Durgapur	The Supreme Industries Limited Export Promotion Indl. Park (e.p.i.p.), No. 3017-19, 3183-87, 29-35,39,40,42,43,49-54,56 Banskopa, Bidhan Nagar, Durgapur, Dist.burdvan, West Bengal-713212, India	19AAACT1344F1ZL	Manufacturing Unit	Industrial Components, Material Handling Products, Furniture
37	West Bengal	Kharagpur	The Supreme Industries Limited Vill.-bagabhera&imampatna, Katai Khal P.o.-loha Baran Chak, Ps.-narayan Garh, Near Narayangarh Power Station Dist.-paschim Midnapur, Pin-721437 West Bengal, India	19AAACT1344F1ZL	Manufacturing Unit	Plastics Piping Products, Material Handling Products, Furniture, Protective Packaging Products

**Route Map to the AGM Venue of:**

The Supreme Industries Limited  
81st Annual General Meeting,  
Wednesday, 28th June, 2023  
at 04:00 p.m.



**Venue:**

Walchand Hirachand Hall,  
Indian Merchants' Chamber,  
Near Churchgate Station,  
76, Veer Nariman Road,  
Mumbai - 400 020.

## THE SUPREME INDUSTRIES LIMITED

Regd. Office: 612, Raheja Chambers, Nariman Point, Mumbai - 400 021  
CIN: L35920MH1942PLC003554

### ATTENDANCE SLIP

Only Shareholders or the Proxies will be allowed to attend the meeting

D. P. ID*		L.F. No.	
Client ID*		No. of Shares held	

I/We hereby record my/our presence at the 81<sup>st</sup> Annual General Meeting of the Company held at Walchand Hirachand Hall, Indian Merchant's Chamber, Near Churchgate Station, 76, Veer Nariman Road, Mumbai - 400020 on Wednesday, 28<sup>th</sup> June, 2023 at 4.00 p.m.

Name of Shareholder(s) (in Block Letters)	1.	2.	3.
Signature of Shareholder(s)	1.	2.	3.
Name of Proxyholder(s) (in Block Letters)	1.	2.	3.
Signature of Proxy holder	1.	2.	3.

\* Applicable for investors holding shares in electronic form.

**Note : Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.**



## THE SUPREME INDUSTRIES LIMITED

Regd. Office: 612, Raheja Chambers, Nariman Point, Mumbai - 400 021  
CIN: L35920MH1942PLC003554

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L35920MH1942PLC003554  
Name of the Company : The Supreme Industries Limited  
Registered office : 612, Raheja Chambers, Nariman Point, Mumbai 400021

Name of the member(s)	
Registered Address	
Email ID	
Folio No. / Client ID	
DP ID	

I/We, being the member(s) of \_\_\_\_\_ shares of above named Company, hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 81<sup>st</sup> Annual General Meeting of the company, to be held on Wednesday, 28<sup>th</sup> June, 2023 at 4.00 p.m., at Walchand Hirachand Hall, Indian Merchant's Chamber, Near Churchgate Station, 76, Veer Nariman Road, Mumbai - 400020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions		Optional *	
		For	Against
1	To receive, consider and adopt: <ol style="list-style-type: none"> <li>a) The Audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2023, including the Audited Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit &amp; Loss and cash flow statement for the year ended on that date and reports of the Board of Directors and Auditors thereon.</li> <li>b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2023. <b>(Ordinary Resolution)</b></li> </ol>		
2	To appoint a Director in place of Shri V. K. Taparia (Director Identification No. 00112567), who retires by rotation and being eligible, offers himself for reappointment <b>(Ordinary Resolution)</b>		



Resolutions	Optional *	
	For	Against
3 To declare final dividend on Equity Shares for the Financial Year ended 31 <sup>st</sup> March, 2023 and to confirm the payment of interim dividend on Equity Shares declared by the Board of Directors of the Company. <b>(Ordinary Resolution)</b>		
4 Appointment of Branch Auditors. <b>(Ordinary resolution)</b>		
5 To approve re-appointment of Shri Sarthak Behuria (DIN: 03290288) as an Independent director of the Company for a period of five years from 7 <sup>th</sup> May, 2024 to 6 <sup>th</sup> May, 2029. <b>(Special Resolution)</b>		
6 To approve re-appointment of Ms. Ameeta Parpia (DIN: 02654277) as an Independent director of the Company for a period of five years from 7 <sup>th</sup> May, 2024 to 6 <sup>th</sup> May, 2029. <b>(Special Resolution)</b>		
7 To approve appointment of Shri Vipul Shah (DIN: 00174680) as an Independent director of the Company for a period of five years from 28 <sup>th</sup> April, 2023 to 27 <sup>th</sup> April, 2028. <b>(Special resolution)</b>		
8 To approve appointment of Shri Pulak Prasad (DIN: 00003557) as a Non-Executive and Non-Independent Director. <b>(Ordinary resolution)</b>		
9 To approve re-appointment and remuneration of Shri M.P. Taparia (DIN: 00112461) as a Managing Director of the Company for a further period with effect from 7 <sup>th</sup> January, 2024 to 30 <sup>th</sup> September 2027. <b>(Special resolution)</b>		
10 To approve re-appointment and remuneration of Shri S.J. Taparia (DIN: 00112513) as a Executive Director of the Company for a further period with effect from 7 <sup>th</sup> January, 2024 to 30 <sup>th</sup> September 2027. <b>(Special resolution)</b>		
11 To approve re-appointment and remuneration of Shri V.K. Taparia (DIN: 00112567) as a Executive Director of the Company for a further period with effect from 7 <sup>th</sup> January, 2024 to 30 <sup>th</sup> September 2027. <b>(Special resolution)</b>		
12 To approve payment of Commission to all Non-Executive Directors <b>(Special Resolution)</b>		
13 Ratification of remuneration of Cost Auditors <b>(Ordinary Resolution)</b>		

Signed \_\_\_\_\_ day of \_\_\_\_\_ 2023.

\_\_\_\_\_  
Signature of Shareholder

Affix  
₹. 1/-  
Revenue  
Stamp

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

**Notes :**

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) \* This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
- (5) In the case of joint holders, the signatures of any one holder will be sufficient, but names of all the joint holders should be stated.



**NOTES**

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# Supreme®

People who know plastics best

A TRUSTED BRAND SINCE 1942

## Industrial Moulded Products



## Material Handling Products



## Moulded Furniture



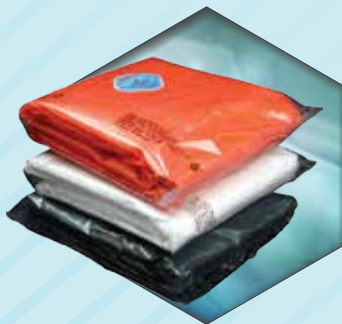
## Bath Fittings



## Plastic Piping Systems



## Composite LPG Cylinder



## Multilayered Cross Laminated Films



## Performance Films



## Protective Packaging Products

Advanced Customized Products & Solutions





**Supreme**®  
People who know plastics best

**THE SUPREME INDUSTRIES LIMITED**

1161 & 1162 Solitaire Corporate Park, 167 Guru Hargovindji Marg,  
Andheri-Ghatkopar Link Road, Chakala, Andheri (East), Mumbai 400 093, India  
Tel.: (022) 68690000, 40430000  
Website : [www.supreme.co.in](http://www.supreme.co.in) E-mail : [supreme@supreme.co.in](mailto:supreme@supreme.co.in)  
Regd. Office : 612 Raheja Chambers, Nariman Point, Mumbai 400 021, India  
Tel.: (022) 62570000, 62570025