August 10, 2021

National Stock Exchange of India Limited, Listing Compliance Department Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 **Scrip Symbol: GALAXYSURF**	BSE Limited, Listing Department, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 **Scrip Code: 540935**

Dear Sir/ Madam,

Subject: Submission of Annual Report for the Financial Year 2020-21.

Ref: Regulation 34 (1) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.

Pursuant to the above mentioned regulation we are hereby enclosing Annual Report for the financial year 2020-21 together with the Notice of 35th Annual General Meeting of the Company to be held on Wednesday, September 8, 2021 at 3:00 P.M. (IST) through Video Conferencing or Other Audio Visual Means.

The Company has commenced dispatching of 35th Annual Report of the Company today i.e. August 10, 2021 to shareholders whose email addresses are registered with the Company/DP.

This is for your information and records.

Yours faithfully,
For **Galaxy Surfactants Limited**

NIRANJAN ARUN KETKAR
Digitally signed by NIRANJAN ARUN KETKAR
Date: 2021.08.10 16:55:21 +05'30'

Niranjan Ketkar
Company Secretary
M. No. A20002
Encl: As above

Galaxy Surfactants Limited

Communication Address:
Rupa Solitaire,
Ground Floor, Unit no. 8, 12A and 14
Millennium Business Park, Mahape,
Navi Mumbai, 400 710
Ph: +91-22-33063700

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CIN: L39877MH1986PLC039877
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Fax : +91-22-27615883/ 27615886
e-mail : galaxy@galaxysurfactants.com
Website: www.galaxysurfactants.com

Galaxy

Global Supplier to Global Brands

Ensuring Sustainable Growth

35th Annual Report 2020-21

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To view this report online, please visit:
www.galaxysurfactants.com

Corporate Information

BOARD OF DIRECTORS
S. Ravindranath, Chairman
Non-Executive Independent Director
U. Shekhar, Managing Director
K. Ganesh Kamath,
Executive Director (Finance) & CFO
K. Natarajan, Executive Director & COO
G. Ramakrishnan, Non-Executive Director
Dr. Nirmal Koshti, Non-Executive Director
Vaijanath Kulkarni, Non-Executive Director
Subodh Nadkarni,
Non-Executive Independent Director
M. G. Parameswaran,
Non-Executive Independent Director
Nandita Gurjar,
Non-Executive Independent Director
Uday K. Kamat, Non-Executive Director
Shashikant Shanbhag, Non-Executive Director

BOARD COMMITTEES
Audit Committee
Subodh Nadkarni, Chairman
S. Ravindranath
M. G. Parameswaran
G. Ramakrishnan

Nomination & Remuneration Committee
M. G. Parameswaran, Chairman
S. Ravindranath
Subodh Nadkarni
Nandita Gurjar

Stakeholders Relationship Committee
M. G. Parameswaran, Chairman
G. Ramakrishnan
K. Ganesh Kamath

Corporate Social Responsibility Committee
U. Shekhar, Chairman
K. Ganesh Kamath
M. G. Parameswaran

Risk Management Committee:
Vaijanath Kulkarni,
Chairman & Chief Risk Officer
K. Ganesh Kamath
K. Natarajan
Subodh Nadkarni (w.e.f. June 8, 2021)
Sesha Samba Murty Garikiparthy
Abhijit Damle

COMPANY SECRETARY & COMPLIANCE OFFICER
Niranjan Ketkar

REGISTRAR & TRANSFER AGENT
Link Intime India Pvt. Ltd.
C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400 083.
Phone: 022 – 4918 6000
e-mail: rnt.helpdesk@linkintime.co.in

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

ADDRESS OF CORRESPONDENCE
Rupa Solitaire, Ground Floor, Unit No. 8,
12A and 14 Millenium Business Park,
Mahape, Navi Mumbai - 400 710,
Maharashtra
Phone: 022- 2761 6666 / 33063700
e-mail: investorservices@galaxysurfactants.com

AUDITORS
Deloitte Haskins & Sells LLP

PLANTS
Taloja
Plot No. V-23, M.I.D.C. Taloja, Panvel,
Dist. Raigad, Pin - 410 208, Maharashtra.

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

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

Tarapur
Plot No. N-46/1 & 2; W-67 (B); G-59, M-3
M.I.D.C. Tarapur, Post Boisar - 401 506,
Maharashtra.

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

Forward-Looking Statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements, written and oral, that we periodically make are forward-looking statements that set out anticipated performance/results based on the management's plan and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and realisation of assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

Ensuring Sustainable Growth

GALAXY SURFACTANTS VISION STATEMENT

"Delight customers; Be a partner of choice, and a global leader of Surfactants and Specialty Chemicals to the personal & home care industry with a commitment to a cleaner and safer environment and delivering consistently above-average returns to the investors."

The turn of the decade saw the World grapple with its biggest challenge till date. While the battle yet rages on; people are now getting ready for the next challenge on hand – Sustaining this World for our future generations. The term 'sustainability' has always been around, but it is economic growth that has got the limelight till date. As we enter the next decade, the critical requirement will be 'Sustainable Growth'.

"Sustainable Development is the pathway to the future we want for all. It offers a framework to generate economic growth, achieve social justice, exercise environmental stewardship, and strengthen governance."

\- Ban Ki-Moon

Sustainable Growth = Sustainability + Growth + All-Round Development

Sustainability, by definition, means focussing on meeting the needs of today without compromising the ability of future generations to meet their needs. **Sustainable growth** is about striving to grow an organization consistently while giving back to all those that enable business. This includes the environment, society, investors and the regulatory authorities. **Sustainable development** aims to balance our economic, environmental, and social needs, allowing prosperity for the present and future generations. These include social progress, equality, environmental protection, conservation of natural resources, and stable economic growth.

> **As we look ahead, ethos blended with experience backed by superior engagements with all our stakeholders along with ESG related consciousness will ensure sustainable growth for your Company in the coming decade.**

While the Financial Performance reflects the Quantitative factors (lag indicators); Sustainable growth looks at balancing both the Quantitative as well as the Qualitative Factors (lead indicators).

Qualitative factors are the inherent forces that impart 'Resilience' to an organization. These include:

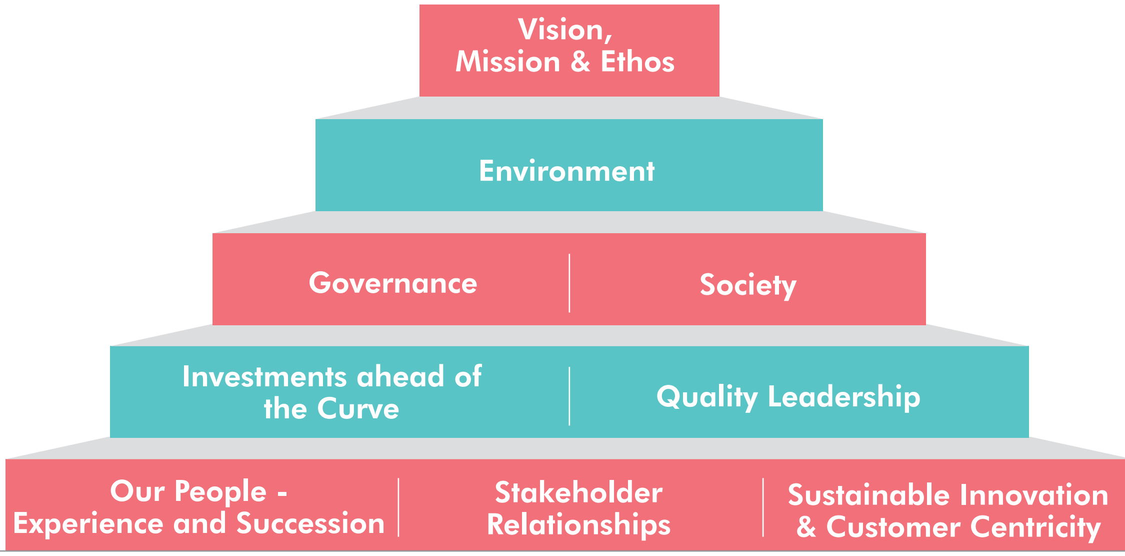
- **Relationships** with all Stakeholders
- Organizational **Responsibilities** as Citizens of the Society towards the Environment and Community at large
- Ensuring Performance **Replicability** over multiple business cycles exhibiting highest standards of governance, succession planning, investments and ethical practices

These Qualitative factors are the lead indicators that will determine the 'Resilience Factor' of an organization. It is this 'Resilience Factor' that will enable an organization to respond decisively and face any crisis or disruption with confidence, thus ensuring growth even during a crisis.

As the world steps into the next decade, the clamour for **Environmental, Social, and Governance (ESG)** related consciousness is reaching new heights. Organizations today not only have to be aware of ESG but need to act decisively in this direction.

Today, quantitative risks arising out of non-compliance/inaction when it comes to Qualitative factors like ESG, Succession Planning, Relationships with Stakeholders pose a direct threat to the survival of any organization.

At Galaxy, we have always believed an organization is a sum of parts, and the inherent strength of all qualitative aspects put together imparts strength and robustness, ensuring sustainable growth over decades.



Ensuring sustainable growth for us is all about:

- Retaining and Maintaining the Ethos and Culture of the organization through decades
- Developing People, Retaining Talent and Robust Succession Planning Mechanism to ensure Replicability and Growth
- Learning and Selectively Unlearning; applying experience acquired over years and continuously improving year after year
- Building an organization that all stakeholders will be proud to be associated with
- Growing responsibly; in a sustainable manner
- Setting and sustaining the highest standards of governance and ethical behaviour
- Intense focus on attaining Quality Leadership, Superior Delivery, Best-in-Class Operations and Safety Practices
- Sustainable Innovation – Innovation that is consistent, customer-centric and in line with the emerging consumer trends based on the principles of green chemistry

The outperformance delivered over the last decade is a culmination of these practices executed diligently over years. As we look ahead, ethos blended with experience backed by superior engagements with all our stakeholders along with ESG-related consciousness will ensure sustainable growth for your Company in the coming decade.

Summary Data – FY 2020-21	
Consolidated Revenue (₹ Crores)*	2,795
PAT (₹ Crores)	302
Volume Growth Y-o-Y (%)	5.3
ROCE (%)	25.2
EBITDA/Tonne (₹)	19,465
Patents (Nos.)	6

Summary Data 2018-21 (Last 3 years)	
Volume CAGR (%)	6.2
PAT CAGR (%)	24.1
Cumulative CAPEX (₹ Crores)	496
CSR Spend (₹ Crores)	10.44
Water Recycled, Reused and Harvested (Mega Litres)	987.7
Nature Derived/Identical Product Launched	4
Life Cycle Assessment of Products	40

* Includes Other Income

Message from the Managing Director

The year 2020-21 has reignited the importance of 'sustainable growth'; growth that is consistent, balanced, and replicable over years.

The Oxford Dictionary defines Resilience as "The capacity to recover quickly from difficulties" or "the ability of a substance to spring back into shape, elasticity".

While the World may define 2020-21 as the Year of the Pandemic & Disruptions, at Galaxy, we would like to define the year as the "Year of Resilience" – The Year which tested every aspect of our Business; be it our People, Operations, Supply Chain or Demand but despite the challenges that persisted throughout the year; the Performance has been exceptional.

Exceptional as

- At the start of the Financial Year, we had disruption on account of lockdown in India
- Multiple Supply Chain disruptions that persisted all through the year
- Demand Variability Challenges with excess demand for Performance Surfactants and cut down in consumption of Specialty Care Products at different points and finally
- A pandemic to deal with, with varying intensity levels throughout the year

Against that your Company has delivered a volume growth of 5.3%.

Our Performance Surfactants have registered a healthy 8.8% volume growth and despite the disruptions in H-1, Specialty Care Products have ended the year with a 1% decline in volumes. In H-2 while the demand for Performance Surfactants remained the same in absolute terms vis-à-vis H-1; implying a structural uptick in demand, Specialty Care products registered a 15.7% volumes growth in H-2 over H1 FY 2020-21, thus arresting the decline seen in H-1.

Despite the shutdown in Q-1, volumes in India have grown 11.2% vs Previous Year. AMET market which got its mojo back in Q-2 FY2020, has not only sustained it but also registered a healthy 8.2% volume growth for the year. Finally Rest of the World markets primarily driven by Specialty Care Products, saw a major decline of 16% in H-1 vs Previous Year. The markets made a strong comeback in H-2 registering a growth of 4%, overall ending the year with a 6.8% decline.

To summarise, if FY 2020-21 were an alphabet, it would be called as the year of P - 5P's.

Pandemic & Pressures countered by Persevering **People** and Persistent **Partnerships** which ensured we deliver a near Perfect **Performance!**

Having said that, I would take this opportunity to thank every Galaxite who has made this possible. Starting with our Front Line Yodhas - our Operators on the Floor, Operations and Supply Chain Team Members, Business Members who held fort when everything around them appeared hazy and turbulent. Our support staff, who within days adopted a completely new lifestyle of Working from Home, balancing both, the needs of their families as well as that of Galaxy and finally our Administration and CSR Teams, the teams that ensured we continue functioning as well as helping our society throughout the year.

But Ladies and Gentlemen as they say, every battle has a price – the price one pays and while the battle against the Pandemic continues, I would take this opportunity to remember our 9 Galaxites who lost their lives battling it. Losing a family member is not easy and while no amount of monetary compensation can make up for human lives, your Company has taken steps to support their families. We have introduced the **'COVID-Family Care'** Policy for all our employees to provide economic stability and financial security to the families of the employees who succumbed to COVID. A small step to ensure their families do not face any further disruptions or challenges on account of loss of income and continue leading their lives honourably. In this, the family will receive financial support to meet the economical, medical and educational needs of the family besides the emotional comfort extended by your Company.

Throughout the Pandemic, your Company has ensured not a single rupee is spent by our people or their families for any COVID-19 related treatment. The entire cost has been borne by us.

While the battle rages on, this is a battle which we all need to win, and your Company will leave no stone unturned to come out victorious.

Ladies and Gentlemen, FY 2020-21 has reignited the importance of **'sustainable growth'; growth that is consistent, balanced, and replicable over years**. But sustainable growth is not only about financial growth, it also includes the qualitative factors that ensure consistency, balance and replicability of performance over cycles. These Qualitative factors impart the inherent strength and robustness to the business and enable an organization to adapt and respond to disruptions with determination, resolve and confidence. It is my belief, qualitative factors like Organizational Ethos, Strength and Depth of Stakeholder Relationships developed over years, Experience acquired over multiple cycles, Succession Planning, Talent Retention and Organizational responsiveness, that impart the required resilience to an organization. While these qualitative factors have always been around, it is only during times like these do we realise the criticality and strength imparted by them.

As we enter the next decade, I personally expect businesses to become lot more proactive and make giant strides in the areas of Environment, Society and Governance. As a responsible citizen of the society, it is upon us to ensure a better tomorrow for our future generations. At Galaxy, multiple initiatives have been taken with respect to Water Conservation, Energy Management, Waste and GHG reductions. When it comes to our Society, our focus areas primarily include – Provision of Food and Water Security, ensuring Health, Hygiene and Education and creating avenues to empower as well as enable a better living for the deprived sections. Demonstrating the highest standards of Corporate Governance, Ethical Practices and Succession Planning is something we have practised since inception.

Qualitative Factors combined with ESG-related initiatives have ensured sustainable growth for your Company in the last decade; we see the same continuing in the next decade.

Ladies and Gentlemen, at Galaxy, we believe, the next decade will be the decade of Innovation, Sustainability and Digitization.

While Sustainability and Innovation have been part of our Core strategy for more than a decade now, FY 2020-21 saw us making strides in the digital arena. Your Company has not only successfully adapted to the Work from Home culture, but also enhanced its digital marketing presence through various channels. Right from Customer interactions to multiple product-application based promotion campaigns to new product launches, we are slowly but surely stepping up in the digital arena. The coming year should see your Company enhancing its digital presence and reach further.

While adaptability to the digital age was all about equipping ourselves for the future, building on the sustainability and innovation journey which began years ago, today, has become a precursor for survival. In relation to that, your Company:

1. Launched GalEcosafe: Specially designed Fatty Alcohol Ether Sulphates with ultra-low 1,4-Dioxane levels to comply with the new US regulations aimed at protecting the environment.
2. Commercialised Galguard LipoG: Non-toxic, bio-degradable, nature-derived and safe preservative for Beauty and Personal Care segments.

These products shall form part of our environment-friendly new age products basket.

2020-21 also saw your Company releasing its 9th Sustainability Report. To celebrate the same, we organised the Galaxy of Sustenance event which not only highlighted the significant work done by your Company in the field of Sustainability but March 2021 also saw us taking up new targets for 2030.

Ladies and Gentlemen, it is the efforts of the last 10 years that have started to yield fruits now slowly but steadily:

In 2020-21,

1. Galaxy Surfactants, Taloja plant was conferred with the CII Green Company rating (GreenCo - Silver level).
2. Achieved consistent progress in Carbon Disclosure Project (CDP) 2020 with:
   - Score of Management Level 'B' in CDP - Climate Change compared to global average of 'C'
   - Management Level 'B-', in CDP-Water compared to global average of 'B'
   - Leadership level, 'A-' in Supplier Engagement compared to global average of 'C'
3. Won the GOLD medal 2020, awarded by EcoVadis.
4. M3 Tarapur Site has been awarded as a Winner for the Kaizen in the Category – Waste Elimination. Received Certificate of Appreciation from IMC Chambers of Commerce and Industry for becoming the first IMC Certificate of Origin (COO) Member to release the online digitally-signed Certificate of Origin (COO).
5. Galaxy Jhagadia Manufacturing plant got accredited with EFfCI GMP certification.

Recently, your Company's Water Shed Management efforts – across drought locations in India, was recognised by the CII as an excellent effort towards ecosystem restoration.

"A company should be viewed as an unfolding movie, not as a still photograph"

-Warren Buffett

To conclude, what began as a dream in 1980, today, has slowly but steadily unfolded into a unique one-of-a-kind organization. Unique, as globally you will not find any organization which is completely integrated, right from its business to its operations, from people to innovations, sustainability goals to quality and manufacturing setups, for catering exclusively to the Home and Personal Care space. As we enter our fifth decade, we, at Galaxy Surfactants, strongly believe, if the last four decades marked our learning phase, the coming four will mark our growth phase and the best is yet to come.

Thank You Ladies and Gentlemen. Stay Safe – Stay Healthy.

Yours sincerely,

U. Shekhar
Managing Director

2020-21: One for the Ages

> There are decades where nothing happens; and there are weeks where decades happen.
>
> **- Vladimir Lenin**

If one were to associate this famous quote by Vladimir Lenin with a particular year, it would be FY 2020-21. Fifty-two weeks of unprecedented challenges and learnings, a year which will be remembered for decades to come.

At Galaxy, while the year began on a sombre note, we ended the year on a high! FY 2020-21 saw your Company reporting its highest ever volumes and profitability. It was a path-breaking year for our subsidiaries in Egypt and the USA. Our Performance Surfactants registered a healthy 8.8% volume growth, whereas Specialty Care Products which initially saw a dip in the first half, made a strong comeback in the later half, registering a 15.7% growth in H-2 over H-1. Despite the lockdown for about two months in the beginning of the year, India as a region reported a 11.2% volume growth, driven by the strong demand for our performance surfactants which find application in the home and hygiene segments. Africa Middle East & Turkey (AMET) remained steady throughout the year, registering an 8.2% volume growth. While the Rest of the World (ROW) saw a sharp dip in the first half due to the slowdown in Specialty consumption, as developed economies opened up, growth made a comeback in H-2. For the year, ROW registered a decline of 6.8% in volumes vis-à-vis the previous year.

Jhagadia Plant

Performance Highlights

Volume growth	EBITDA growth	PAT growth	With a ROCE of 25.2%, an improvement	Net Operating Cash Generated
5.3%	22.6%	31.1%	170 bps	₹365 Crores

While this has truly been an exceptional year for us, exceptional performance is a result of the **3E's – Ethos, Experience and Engagements** built over years.

We, at Galaxy, have always believed that it is the Qualitative Factors (Lead indicators) that eventually determine the growth trajectory of any organization.

One such qualitative factor which is critical universally for the survival and growth of any organization are its **'People'.**

Ethos nurtured along with experience acquired by 'People' over decades serves as the backbone of any organization.

As an organization, we have always believed disruptions are part and parcel of business. But every disruption leads to learnings, builds competencies and capabilities within people, enabling them to navigate the disruptions with confidence. This is an ongoing process which takes years to build and requires organizations to create a conducive environment to retain talent over years. The two pillars of Succession Planning and Talent Retention are therefore pre-requisites for ensuring sustainable growth. At Galaxy, we have practised this meticulously which has ensured we have the right set of experienced people at the front, supported ably by a robust three-layered bench strength, which has enabled us to navigate any crisis with determination and resolve.

While People are the driving force, the Stakeholder Relationships one garners and builds over years imparts inherent strength to the business; a key qualitative factor to ensure sustainable growth. The year gone by served as a validation of such stakeholder relations which enabled us to navigate the challenges thrown by the pandemic.

CUSTOMERS

Customer First Approach

Customer First Approach is critical to ensure sustainable growth. This approach helped us deliver the required comfort and support to all our customers throughout the year.

24X7 front-end customer support

24X7 front-end customer support reassured all customers. We take this opportunity to thank all our customers who stood by us and our Front-End Team members, who held their ground despite the multitude of challenges.

Scaling up Digital Presence

Scaled up our digital presence in a major way this year. Enhancing our digital reach and engagement through virtual meetings, and promotional campaigns helped us stay connected at all points of time.

Digital Campaigns

GalEcoSafe Campaign

GalEcoSafe – Low 1,4 Dioxane SLES GalEcoSafe helps products comply with the New York law that limits the traces of 1,4-Dioxane in home and personal care formulations.

Syndet Campaign

Amidst the heightened awareness of low pH and soap-free products, we reminded our customers, through an extensive campaign, that Syndets (Synthetic Detergents) is the ideal soap alternative.

Hand Washing Campaign

An extensive campaign on ingredients and ready-made blends for handwash manufacturing needs. Our campaign focussed on a wide range of applications, from essential to luxury applications.

Galguard Tetra

Your Company introduced Galguard Tetra - Safer Preservative for People and Planet. A broad-spectrum preservative blend that can be used in leave-on, rinse-off and wet wipe formulations. Galguard Tetra possesses broad-spectrum anti-microbial efficacy and is made from Galaxy's award-winning green technology.

Galaxy of Sustenance

2020-21 also saw your Company complete ten years of sustainability led initiatives. To mark the same, we organised the 'Galaxy of Sustenance' event – a testimony to work done over the last decade. The event lived through Galaxy's sustainability journey & took a glimpse into the future.

Engaging at Various Forums

Future of Surfactants (IHPCIA Virtual Seminar)

Mr. Vaijanath Kulkarni, Managing Director of Galaxy Chemicals Egypt, presented his insights on the future of surfactants for the home and personal care industry during the virtual seminar organised by IHPCIA.

Virtual Seminar organised by Oil Technologists Association of India (OTAI-WZ); 11th December, 2020

Dr. Nirmal Koshti, Non-Executive Director, spoke about the latest trending area in the World of Surfactants and Antimicrobial Biosurfactants in a Virtual Seminar organised by Oil Technologists Association of India (OTAI-WZ).

SUPPLIERS

Bulk of our raw materials are imported from South East Asia. Constant engagement, dedicated suppliers and a committed team ensured we face a series of challenges with determination and confidence. We sincerely thank all our vendors and our Sourcing and Supply Chain team members who helped us navigate through these difficult times.

REGULATORY BODIES AND INVESTORS

Your Company actively engaged with industry bodies, regulatory authorities, and investors throughout the year. We thank them for the support extended.

OUR SOCIETY

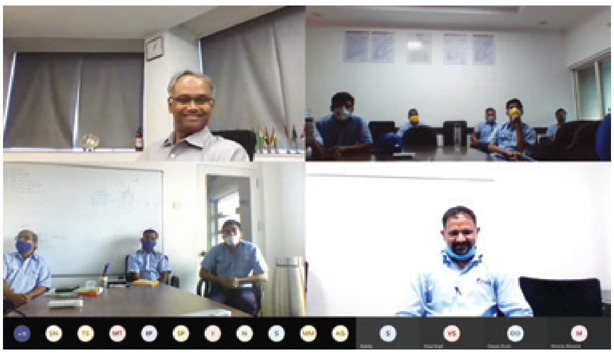
- Your Company has always believed that it is our Society that nurtures us. As responsible citizens, businesses need to ensure they balance economic as well as societal growth.
- Food and Water Security for the nearby villages, handwashes, supporting villages during floods were some of the key initiatives we undertook this year.
- We thank all our CSR Members who, despite the health risk, kept working for our Society.

OUR PEOPLE

- Safety of our People was the topmost priority this year.
- While our 'COVID Yodhas' led from the front, the support staff that quickly adapted to the new ways of working from home ably supported them.
- **We are pleased to share; your Company did not lay off a single employee and rewarded every employee with a special ex-gratia payment for the excellent performance registered this year.**
- We introduced the 'COVID-Family Care' Policy for all employees to provide economic stability and financial security to the families of the employees who succumbed to COVID. In this, the family will receive financial support to meet the economical, medical and educational needs of the family besides the emotional comfort extended by your Company. A step to ensure their families do not face any further disruptions or challenges on account of loss of income and continue leading their lives honourably.
- Protection of our employees and their families is our responsibility. To ensure the same, your Company has strived to provide the best possible medical facilities for their treatment and incurred the entire COVID-related medical expenses. Your Company will also ensure free vaccination for all its employees and their families.
- Multiple 'People-Centric' Digital initiatives were undertaken throughout the year to keep the morale of our employees high.

40 years celebration

On 22nd June 2020, your Company celebrated its 40th Foundation day. A look back on the journey so far through an interactive discussion moderated by Brand Guru Mr. Ambi Parameswaran with the founders of Galaxy Surfactants Ltd.



Operator Townhall

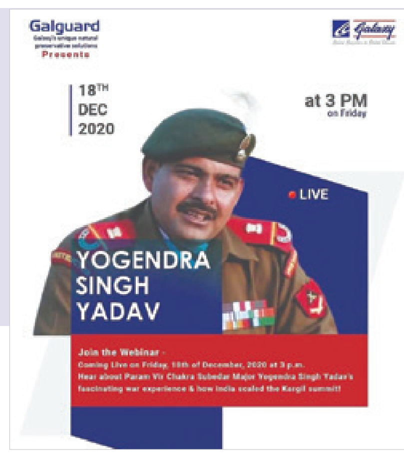
Amidst the socially distanced society, we found a way to stay emotionally connected! The Galaxy Operator Townhall was a heartwarming experience where COVID-Yodhas spoke on how the pandemic has changed the way they work and commute while staying safe.

Women's Day Campaign

On International Women's Day, your Company acknowledged the women in the manufacturing sector through a heartfelt video; we conveyed that a woman is, after all #HumanBeforeWoman.

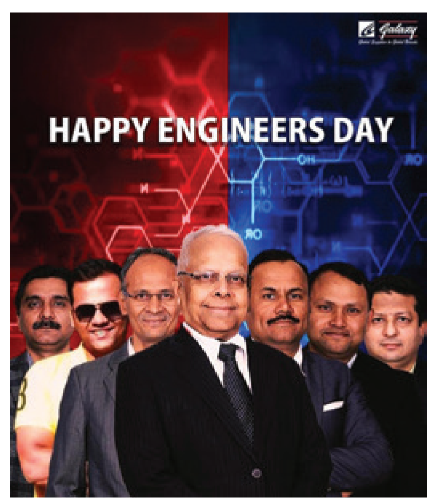
Yogendra Yadavji

Through a Live Session, we got a chance to talk and hear the brave and inspiring stories about the Kargil war from Param Vir Chakra Subedar Major Yogendra Singh Yadav.



International Day of Girls and Women in Science

The International Day of Women and Girls in Science campaign resonated with the belief that not just your Company but science as a whole benefits from the invaluable contribution of women.



Engineers Day Campaign

We celebrated all the noble engineers and shone the spotlight on our very own engineers and their invaluable contribution to your Company and society's good.

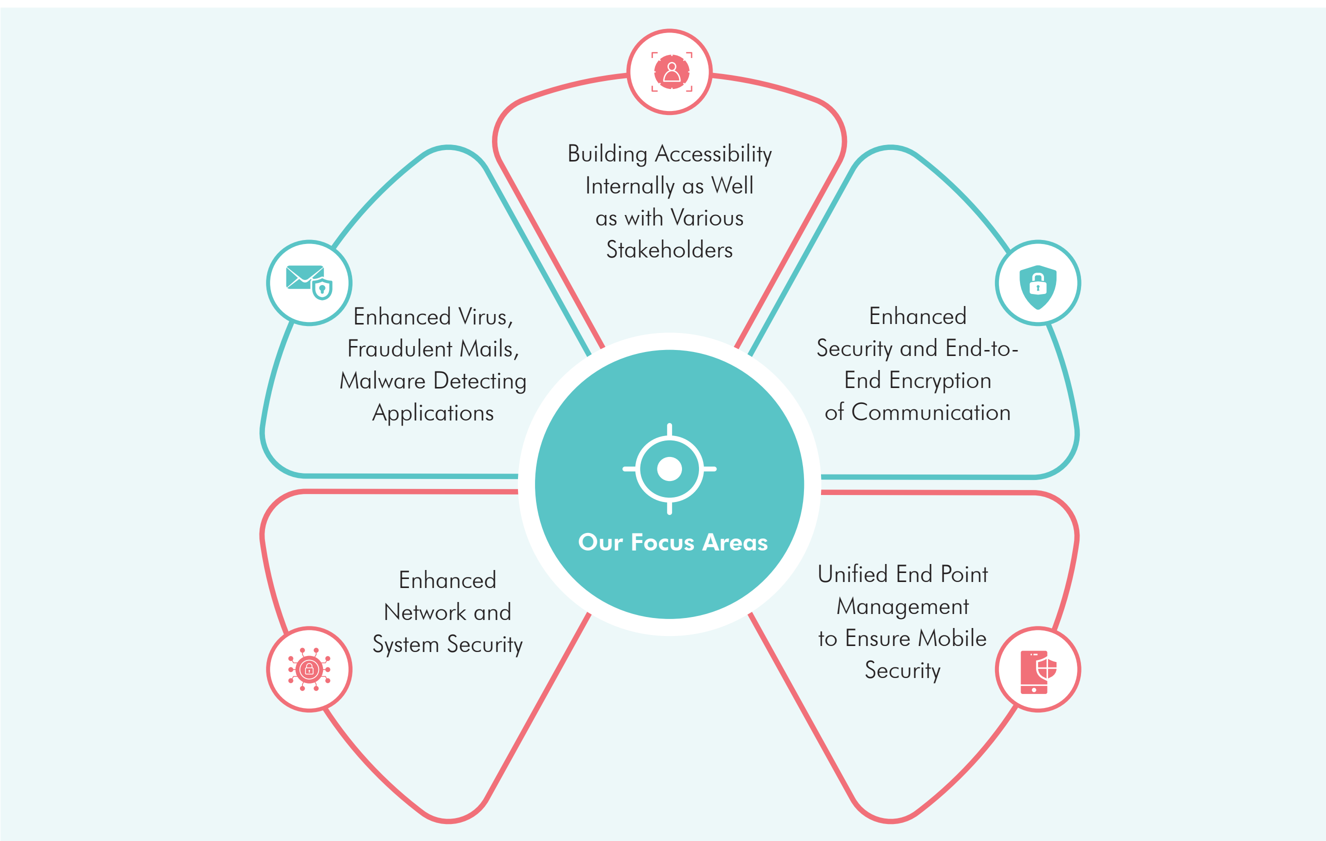
> **It is not the strongest of the species that survive, nor the most intelligent, but the one most responsive to change.**
>
> **- Charles Darwin**

Apart from People and Stakeholder Relationships, adaptability to change is a cornerstone that helps organizations avoid obsolescence and respond appropriately. While our People ensured we adapt and respond quickly and responsibly to all our stakeholder needs, extensive digital adoption and adaptation was one significant achievement for your Company this year.

2020-21 required every company, big or small, to adapt to the digital age. Digital adaptation is the norm today and this will significantly impact the way business is conducted in the coming decade.

Across the globe, while work from home and digital promotions gained rapid speed, digital frauds, security breaches, and hacking also gained traction.

To address the same, your Company invested significantly in scaling up its digital capabilities and security.



Digitization is an ongoing process, and we will only see digital get bigger going ahead.

To summarise, business performance is a derivative of the performance of an organization's qualitative factors. While People impart the inherent strength and make an organization resilient, relationships we share with our stakeholders give the business durability and consistency. Finally, how well an organization adapts and responds to any external disruption determines how strongly it emerges from it.

To conclude, 2020-21 tested all – People, Depth of Stakeholder Relationships and Organizational Adaptability to Disruption. While persistence may get you to the top, consistency ensures you remain there, and consistency is a derivative of the underlying Qualitative factors that make an organization.

Galaxy Surfactants:
Battling Disruptions Since 1980

A Sustainable Business Model is all about the 4 F's

Foundation	Focussed Approach	Final Outcome	Future Ready
The Roots	Branch & Leaves	Fruits	Forever Growing
Vision Mission Ethos	The Process & Approach	End Result	Resilience & Sustenance

> **You can't Build a Great Building on a Weak Foundation.**
>
> **- Gordon B Hinckley**

A sustainable business model is defined as that which creates, delivers, and captures value for all its stakeholders without depleting the natural, social and economic capital it relies on. It is based on the core belief of creating and delivering value for all stakeholders, which is unique, differentiated and unmatched.

At Galaxy we believe, value creation and delivery precede Sustainable growth and it is this growth over decades that adds robustness and resilience to the business.

But at the heart of value creation lies its Foundation, the roots that impart strength, belief, and direction to one's journey. The best parable to illustrate this is the growth journey of the Chinese Bamboo Tree.

When one plants the Chinese bamboo tree, it requires like any other plant, soil, sunshine, water, and care. But unlike other plants, the Chinese Bamboo tree does not grow an inch in the first year or the second year, neither in the third year nor in the fourth year.

Four years of zero growth with none in sight! But finally, when it reaches the fifth, the Chinese Bamboo Tree grows 80 feet in just six weeks!

While for the world, the growth comes within six weeks, but for the gardener, it's 266 weeks of patience, hard work, and toiling. As for the Chinese Bamboo Tree, 260 weeks are invested in building and strengthening the foundation (roots) to get ready for the massive 80 feet rise that follows in the ensuing six weeks!

THE GALAXY LINK TO THE CHINESE BAMBOO...

Galaxy reached its first ₹100 Crores of net profitability in 2016. It took just 4 more years for your Company to achieve the next 100, i.e., ₹200 Crores of Net Profitability, and just one more year to achieve the last ₹100 Crores. In FY 2020-21, your Company reported Net Profitability in excess of ₹300 Crores.

Like the Chinese Bamboo, at Galaxy, we have invested in building and strengthening our roots – laying the foundations for the substantial growth which was to follow. This strong foundation built over decades ensured your Company came out stronger and relatively unscathed this year despite the once-in-a-century catastrophe.

BUT WHAT DO YOU MEAN BY LAYING A STRONG FOUNDATION?

At Galaxy, we have always believed, laying a solid foundation is all about embedding the 'Ethos' the organization represents. The Oxford dictionary defines 'Ethos' as the moral ideas and attitudes of a particular person or group. Sustaining and maintaining this is critical to ensure sustainable growth. Ethos lies in the way we conduct ourselves and our business. It is all about focussing on our relationships with all our Stakeholders, Quality Leadership, Innovation, and Succession. While this may appear like any other business activity, Ethos, unlike other attributes, takes years to build and eventually imparts strength, endurance, and resilience to the organization.

Building and sustaining the Ethos is all about focussing on the process while intensely focussing on the value creation, delivery, sustenance, and growth.

> "You should understand what you should focus on just like what you should not.
>
> **- Warren Buffett**"

At Galaxy, a 'Focused' Approach means having a single-minded focus to be the best in what we do, a process that requires us first to set new benchmarks and then beat our set benchmarks!

- **F** Exclusively **Focused** on catering to the Home & Personal Care (HPC) Space
- **O** **One-Stop Shop** for all Home and Personal Care Manufacturing Needs
- **C** **Configured & Customised** to meet the needs of our HPC Customers
- **U** **Unique & Universal** - Mass and Niche Solutions to meet Global & Local needs
- **S** **Succession** - **Sustainability** - **Safety & Society** - The Qualitative Edge
- **E** Capitalising on the Emerging Trends Through **Experience & Expertise**
- **D** **Differentiation & Diversification** - Strengthening ourselves Day In Day Out

> "I fear not the man who has practised 10,000 kicks once, but I fear the man who has practised one kick 10,000 times.
>
> **- Bruce Lee**"

Over the last four decades, we have strived to become the best possible Mind Partner for all our Home and Personal Care stakeholders. While we continue to learn every day, the objective and the design remain the same. **Our people, products, operations, manufacturing setups, quality parameters, safety protocols, sustainability goals and innovation – everything focusses on making our Home and Personal Care stakeholders win.** We believe it is this unmatched focus, dedication and expertise that we have acquired over the years that has lent us the required consistency and imparted robustness to our business model.

> **Set Goals not for the Outcome itself, but for who you get to become in the process.**
>
> **- Jim Rohn**

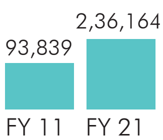
The outcome is the function of our process and organizational ethos. As it is often said, 'Sow the seeds of hard work, and you will reap the fruits of success,' we sowed seeds in 1980, and after years of nurturing, the plant has now started yielding the desired fruits.

THE 10-YEAR JOURNEY FY 2011 - FY 2021

Galaxy Surfactants decade growth story

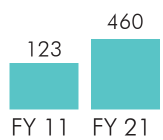
Volumes (MT)

2.5x



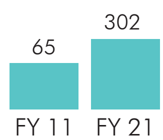
EBITDA (₹ Crores)

4x



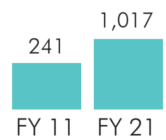
Profit After Tax (₹ Crores)

5x



Specialty Revenue (₹ Crores)

4x



CAGR Rate (%)	3-Year (FY 18-21)	5-Year (FY 16-21)	10-Year (FY 11-21)
Volumes	6.2	8.3	9.7
EBITDA	15.6	14.1	14.1
PAT	24.1	24.5	16.7

Sustainable Growth means responsible growth which can be sustained through cycles and meets the threshold return expectations of various stakeholders. Since FY 2016, our Volumes have grown at a CAGR of 8.3% and Profitability at 24.5%.

Today, your Company is regarded globally for its Customer First Approach, Quality Leadership, and High-end Innovation for the Home and Personal Care space – a testimony to the processes we have meticulously followed over decades.

> **The Future belongs to those who prepare for it.**
>
> **- Jim Moran**

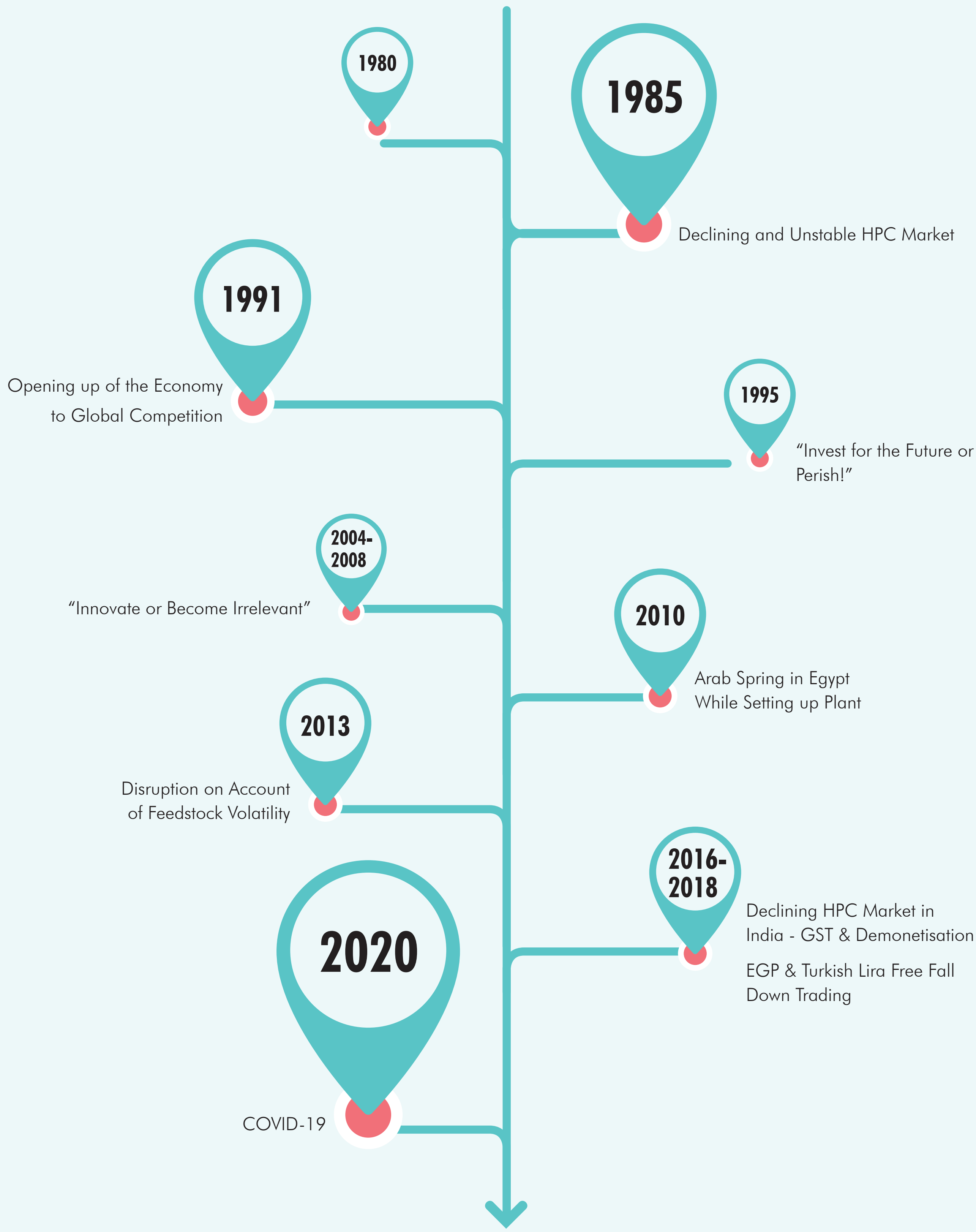
Preparation for the next decade began at your Company four decades ago. **Over the last four decades, we have transformed ourselves from an 'ingredients manufacturer' to a complete solutions provider and embarked on the journey of high-end green innovation, which we believe will yield significant results in the coming years.**

Preparation for us lies in:

- 'Engaging' closely with all our Stakeholders
- Understanding the Globally 'Emerging' Trends
- Gaining 'Experience' through Cycles & acquiring 'Expertise' to capitalise on these trends and engagements
- Delivering 'Excellence' & Developing the required 'Edge' over time

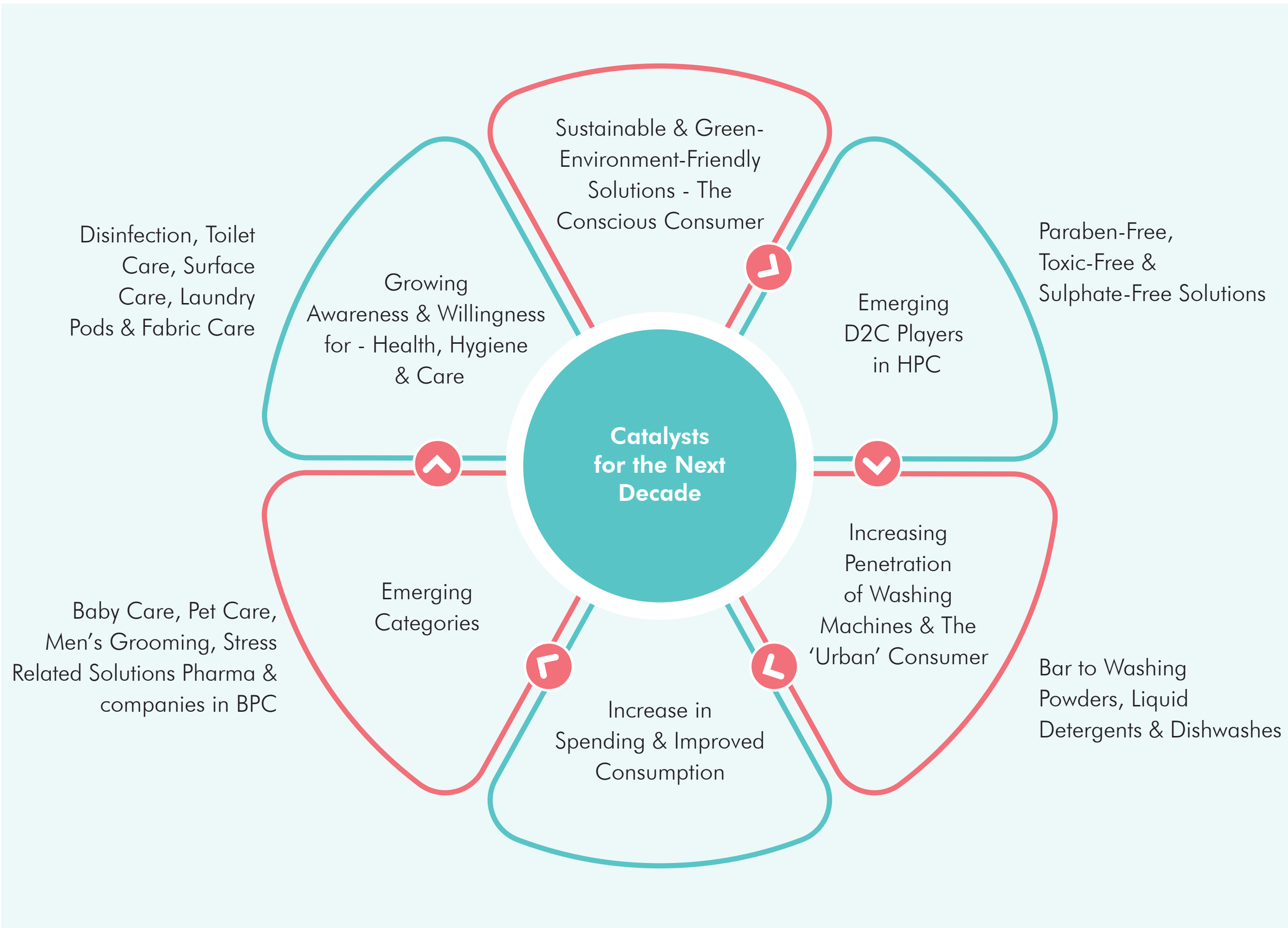
While multiple cycles have played out since 1980, we have held our fort, kept learning – selectively unlearning but never stopped growing.

BATTLING DISRUPTIONS SINCE 1980



The Home and Personal Care Industry has played an important role in laying this strong foundation for your Company's sustainable performance. Since 2007, despite multiple headwinds, the Home and Personal Care Industry has grown 1.5x in size globally, and the same has grown 4x in India – from ₹0.40 Lakh Crores in 2007 to ₹1.6 Lakh Crores as of 2021, with no significant decline in any of these years.

While the inherent stability of the Home and Personal Care market renders consistency and stability to our business, over the next decade, we believe the following trends shall have a substantial bearing on the Home and Personal Care space and shall act as catalysts of growth for us.



While these catalysts will have a Quantitative bearing on the Business, we believe it is the Qualitative factors like Environment, Safety, Society, and Succession that will significantly impact our Business. **The next decade will be the decade of 'Responsible & Responsive Business,' i.e., Business that grows sustainably, responsibly & responsively, mitigating the Qualitative (ESG) risks.** The following section shall explore how your Company has been preparing itself for the same.

> **Someone is sitting in the shade of a tree today because someone planted a tree long time ago.**
>
> **- Warren Buffett**

To conclude, the tree was planted by five friends 41 years ago, and as we look forward to the next decade, we believe, the best phase of sustainable & responsible growth is yet to come.

GalEcoSafe

Environmentally safe surfactant that cleanses lives

Safe for consumers and for the environment

Enabling Home and Personal Care formulations Compliant with upcoming NYS4389B

RSPO Certified sustainable feedstock

Convenient replacement in formulations

Manufactured using Galaxy's in-house technology

Galaxy Surfactants: Securing Our Future

An Overview of the Environment, Social and Governance (ESG) Framework and Goals at Galaxy

> **What is good for people and the planet is worth any short-term pains for the long-term growth and revenue.**

PROGRESS WITH THE P's -

Environment, Social and Governance is a Circular Loop of the 3P's – **Planet, People, and Profits**. The Planet gives us the Resources; People do the Process; the Outcome is the Profit.

As we enter the next decade, the demand for sustainable development is only rising. Today globally, businesses are required to grow both financially as well as responsibly, i.e., ensuring growth with minimal impact on the environment, positive impact on society; demonstrating the highest governance standards.

If the last decade marked the onset of the ESG-related regulations, the next decade will see ESG taking centrestage. **We are pleased to share; your Company has been one of the pioneers in the Indian Chemical Industry when it comes to adopting ESG-related initiatives.** Our sustainability journey began way back in 2010-11.

- Protecting Planet
- Valuing People
- Earning Profits

THE ESG FRAMEWORK AT GALAXY

The ESG-related vision, targets and goals are driven by the Steering Committee which comprises the Executive Board of Directors at Galaxy. Every process – Environment, Social, and Governance is driven by an independent team that undertakes projects in line with the focus areas identified by the Steering Committee. While the teams may be the separate working pillars, convergence ensures value creation for all ESG stakeholders.

Board of Directors
Steering Committee
Provide Direction
Mobilise and Approve Resources

Working Teams & Structures
Independent Teams
Sustainability, Regulatory, CSR

Working Pillars
Process Heads and Leaders
Provide Domain and Functional Expertise

Our Focus Areas

An Overview of the Environment, Social and Governance (ESG) Framework and Goals at Galaxy

MATERIALITY ASSESSMENT

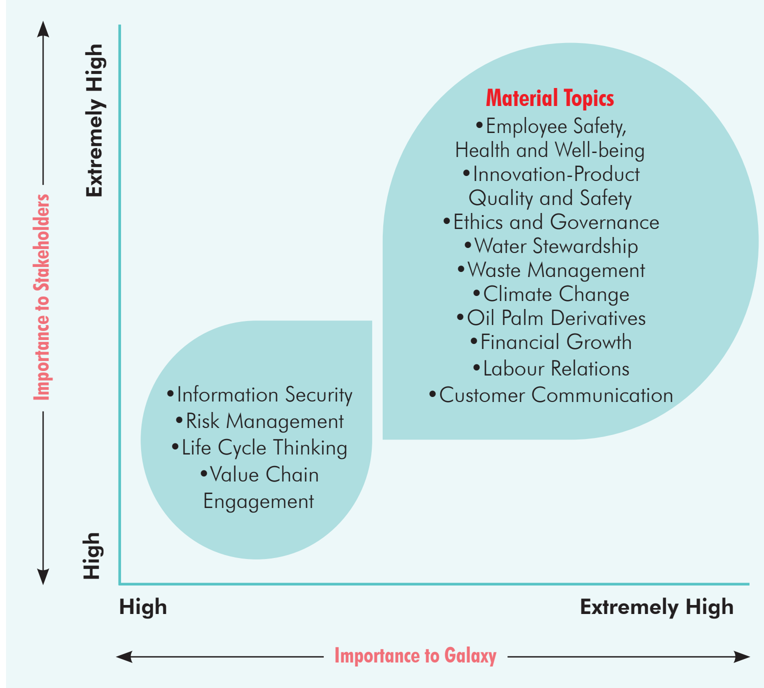
Materiality assessment is essential to understand our sustainability priorities. We regularly review and update our materiality matrix. In February 2020, we had conducted a survey with select stakeholders to identify key topics of importance.

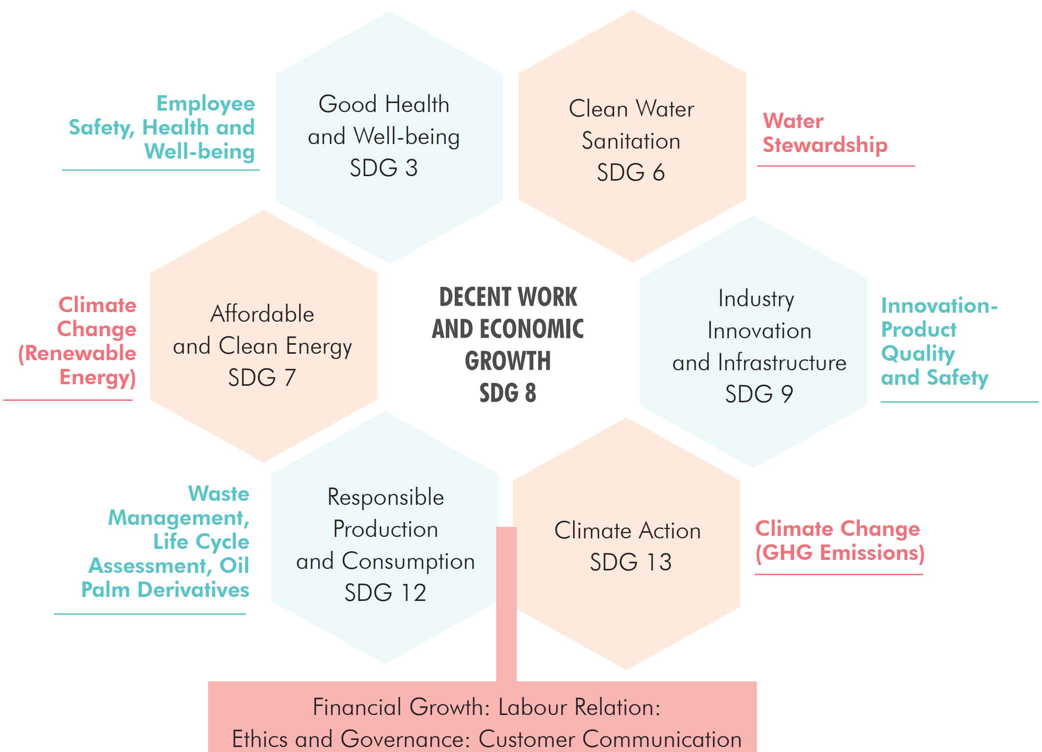
Based on the survey responses, we have updated Galaxy's Materiality Matrix as shown in the diagram. Our 10 material topics are Employee Safety, Health and Well-being; Innovation, Product Quality and Safety; Ethics and Governance; Water Stewardship; Waste Management; Climate Change; Oil Palm Derivatives; Financial Growth; Labour Relations; Customer Communication.

We have identified priority UN SDGs in line with our material topics.

SUSTAINABLE DEVELOPMENT GOALS

MATERIALITY MATRIX





Environmental Sustainability at Galaxy

The sustainability journey began at Galaxy a decade ago, in 2010-11.

Sustainability for us: -

"Galaxy Group endeavours to being a frontrunner in ensuring sustainable growth; create positive impact; reduce environmental footprint while promoting inclusive growth".

Journey of Sustainability at Galaxy Surfactants Ltd.

Your Company is committed to promote a cleaner and safer environment which is aligned to our business strategy. Combining power of science and technology with passion to innovate, we aim to advance sustainable development by collaborating with all our stakeholders complementing our sustainability journey which started in 2010-11.

FY 2010-11
- Introduction to Sustainability Journey

FY 2011-12
- Sustainability Goals 2015
- Established GRI Framework
- Adopted RSPO Membership

FY 2012-13
- Sustainability Cell Constituted
- GHG accounting started
- CDP Supply Chain Disclosure
- Sustainability Reporting Journey

FY 2013-14
- RSPO Certification
- Responsible Care journey started
- Disclosures: CDP - Climate Change and Water, EcoVadis

FY 2014-15
- Certifications ISO 14001 & OHSAS 18001 - Taloja
- RSPO Certification
- Responsible Care Logo awarded for all locations in India
- Ecovadis - Silver Level awarded & CDP score: 80

FY 2015-16
- GMP Certification Jhagadia Certification
- ISO 14001 & OHSAS 18001- Jhagadia
- EcoVadis - Gold Level Awarded
- CDP Climate Change Score: 98, Water Score: B

FY 2016-17
- IGMC Award - Silver level, Jhagadia
- RSPO Segregation Model Certification
- Sustainability Goals 2020 established
- CSR Leadership Award by National CSR Leadership Congress

FY 2017-18
- Responsible Care Logo Recertification
- Solar Installation Taloja & Corporate Office
- Best Ingredient Award - Gold in HPCI India
- ZLD at all Manufacturing Units in India

FY 2018-19
- NAMC Award Silver, Jhagadia
- ICS Innovation Award 2018-Green Process
- EcoVadis -Silver

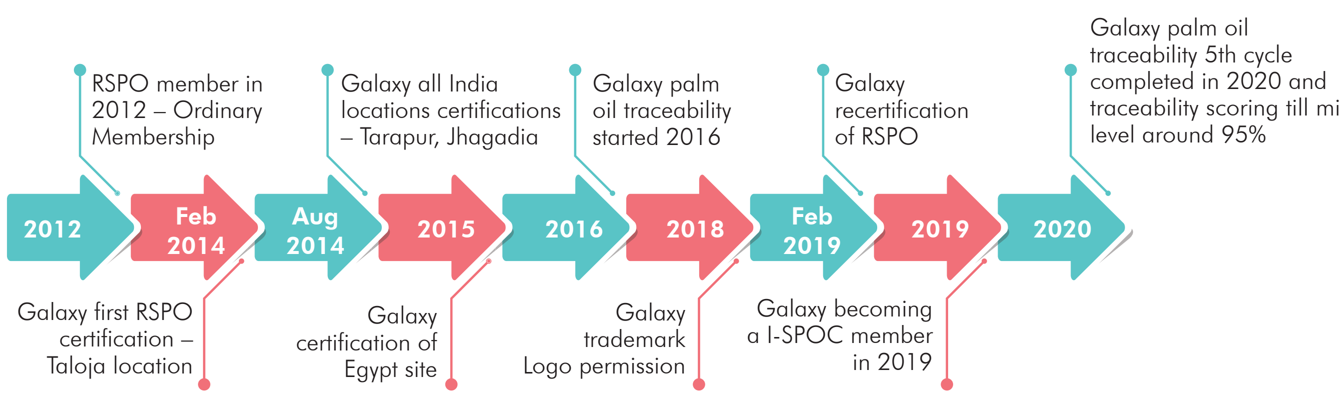
FY 2019-20
- NAMC Award - Gold, Jhagadia
- Finalists in ASRA 2019 in Asia's Best Environmental Reporting Category for Sustainability Report 2018-19
- Award - Excellent use of IP in Innovation for Method to produce N-Acyl amino acid surfactants using N-Acyl amino acid surfactants
- Commitment to valuable 500
- Great Place to Work

FY 2020-21
- GreenCo Award - Silver, Taloja
- Ecovadis - Gold
- CDP Climate Change: B and Water: B-, Management level, SER: A-, Leadership Score
- Commitment to Science Based Target Initiative

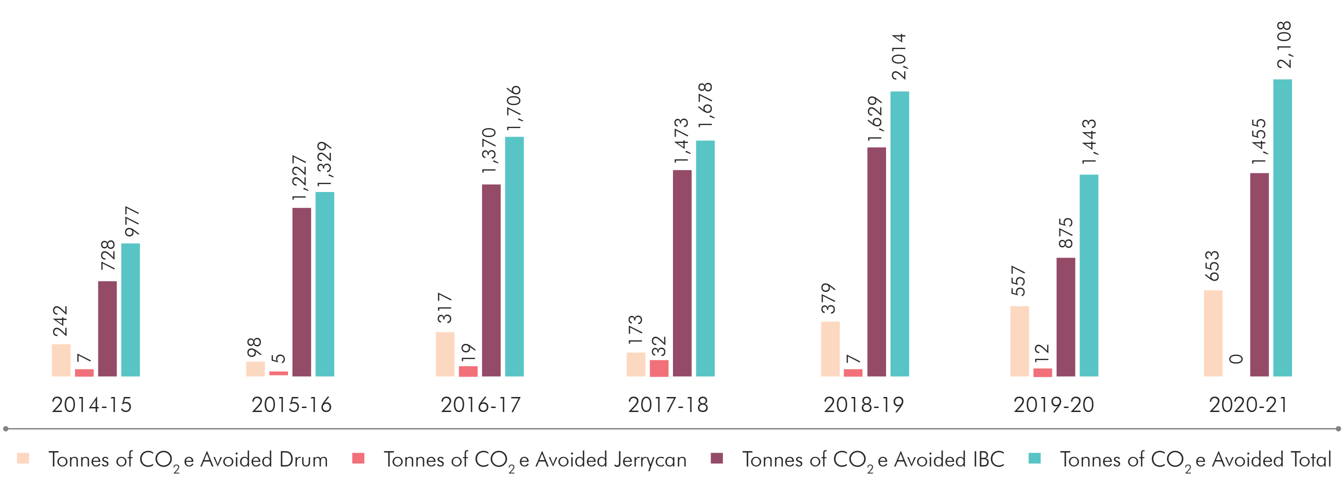
Initial Sustainability Goals were identified in 2011-12 in line with our Materiality Matrix, and new goals were defined as we progressed on our sustainability journey.

Sustainability Goals	Target for 2021	Achievement 2020-21 as of 31st March, 2021	Base year
Water Reduction (Intensity), India	80%	60.3%	2011-12
Water Reduction (Intensity), Egypt	50%	30.0%	2014-15
Energy Reduction (Intensity), India	50%	42.3%	2011-12
Energy Reduction (Intensity), Egypt	30%	19.0%	2014-15
GHG Reduction (Intensity), India	35%	33.9%	2012-13
GHG Reduction (Intensity), Egypt	25%	15%	2014-15
Packaging Waste Reduction (Intensity)	10%	9%	2015-16
Tree Plantation	25,000	54,258	2015-16
Renewable Energy Share	10%	2.8%	2015-16
Life Cycle Assessment of Products	40	40	2015-16

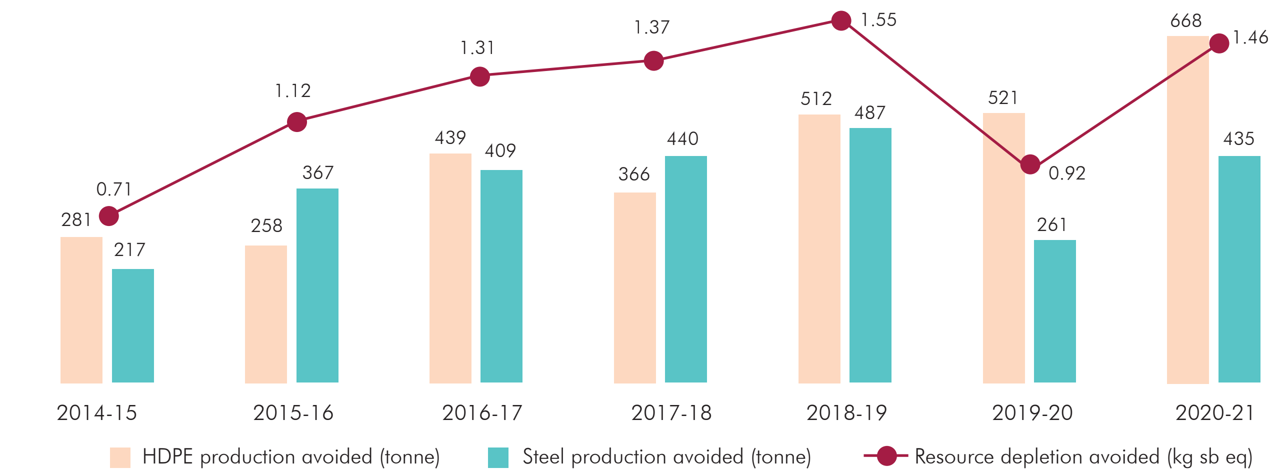
GALAXY RSPO JOURNEY



A Case Study: Sustainability at Galaxy - Value Derived at Galaxy Chemicals, Egypt
Tonnes of CO_2e avoided due to recycling of packaging material

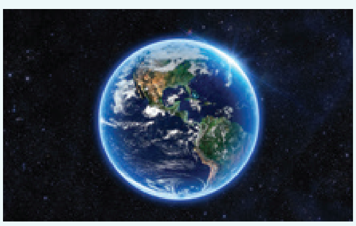


RESOURCE DEPLETION AVOIDED



Abiotic depletion refers to the depletion of non-living (abiotic) resources such as fossil fuels, minerals, clay, and peat. Abiotic depletion is measured in kilograms of Antimony (Sb) equivalents.

Ensuring Sustainable Growth

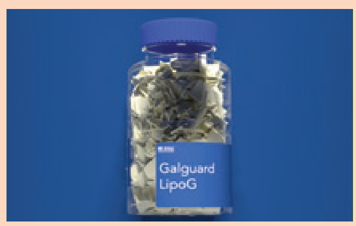


Water Stewardship

- 21% Water Recycled
- 3% Rainwater Harvested
- 92.8 Mega Litres Recycled and Reused
- ZLD at all India Mfg. Sites

60%

Water Intensity Reduction India 2011-20



Product Innovation and Technology

- Paraben-Free Trend - PE and Non-Toxic Preservatives
- Sulphate-Free Trend: Mild Surfactants
- Patented Green Technology

4

New Launches Green Solutions (2019-21)

Climate Change and Energy Management

- Adopted TCFD Framework to evaluate and manage our climate-related risks
- ISO 50001:2018 Energy Management system at Taloja

B

CDP Climate Change Score vs Global Average of C

To celebrate the decade of good work done in the area of Sustainability, your Company organised the Galaxy of Sustenance event in October 2020.

Galaxy of Sustenance

Your Company believes that sustainable growth is all about growing with our Planet driven by our People and forging sustainable Partnerships. On the occasion of celebrating 10 years of Sustainability at Galaxy Surfactants, the Galaxy of Sustenance event, we lived through Galaxy's sustainability journey & took a glimpse into the future.

‘S’ – Society and Safety

Social criteria addresses your Company's relationships and the reputation it fosters with people and institutions in the communities where they do business. Social criteria includes customer satisfaction, data protection & privacy, gender diversity, employee engagement, community relations, human rights, and labour standards. Our society is diverse; therefore, inclusion and diversity are crucial parts of a company's operations.

When it comes to our Society, our focus areas primarily are – Provision of Food and Water Security, ensuring Health, Hygiene and Education and creating avenues to empower as well as enable a better living for the deprived sections.

Till date, 4,34,042 people have benefited from our CSR activities.

Our Focus Areas

- Our People – Training and Development
- Ensuring Diversity and Inclusion
- The Community at Large – Education, Health Hygiene, Food, and Water Security

Ensuring Sustainable Growth

The Responsible Citizen

Employees Welfare

- Employee Training Programmes
- Learning and Development
- Training on Code of Conduct, Human Rights, Whistle Blower Policy & Leadership
- Great Place to Work Certified

Stakeholder Engagement

- Member of the RSPO since 2012 - India and Egypt both certified
- 9th Sustainability Report
- Mind Partnering with Customers on Sustainable Innovations & Supply Chain

Community

- Health & Hygiene - Toilet Blocks, Hand Washing Stations and Hand Hygiene Sessions
- Women Empowerment
- Supporting the Differently abled
- Community Development (Village Water Tanks & Restoration)

Safety & Diversity

- Responsible Audit Conducted in December 2020
- Safety Audits + Trainings on Periodic basis
- Behaviour Based Safety Program implementation
- The Valuable 500 Commitment

Training at Galaxy

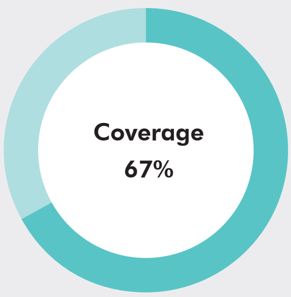
An organization & its employees have an intertwined relationship where the growth of one depends on the growth of the other. Your Company believes in upskilling and training its employees, as it enhances employee productivity thereby positively aiding both the organization as well as the employee

38.6 Hours

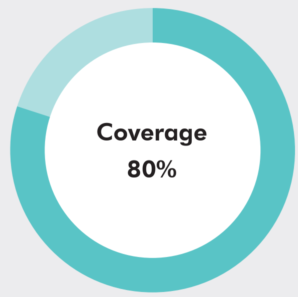
Average training hours per employee per annum

Compliance Programs

POSH Awareness:
A Step towards making our workplace safer and better



Cybersecurity Awareness Program



Diversity and Inclusion Policy

- Your Company is committed to promoting, cultivating, and preserving a culture of diversity and inclusion within the organization.
- Your Company believes that 'Everyone can make a Difference' and everyone is unique. We believe that our people are energy sources, and each one of them can add value to the organization. Diverse individuals bring diverse perspectives, thoughts and ideas to the workplace, making the organization highly efficient and effective.

Valuable Leader: Unnathan Shekhar

Region: India

Galaxy Surfactants Ltd.'s Valuable 500 Commitment:

Galaxy Surfactants is committed to including differently abled members of society in our world and integrating them into the business.

We have committed ourselves to including 40 differently abled members within Galaxy by 2022.

Unnathan Shekhar,

Managing Director, Galaxy Surfactants Ltd.

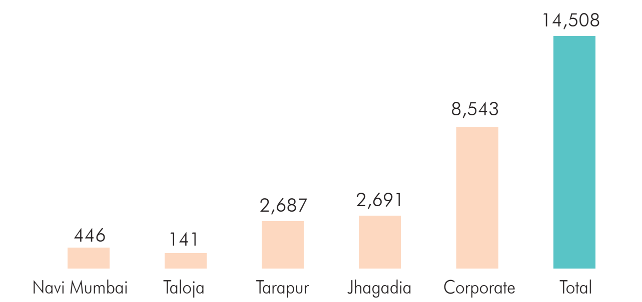
Growing with the Community

When it comes to our Society, our focus areas primarily are – Provision of Food and Water Security, ensuring Health, Hygiene and Education and creating avenues to empower as well as enable a better living for the deprived sections.

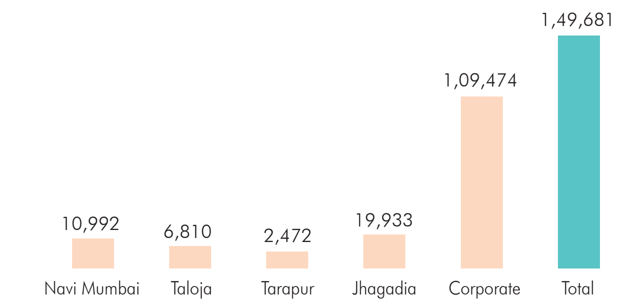
Big Projects completed/initiated during the year:

- Bijalwadi Village, Nanded – Completed Watershed Project (RWH of 96.4 Million Litres)
- Yusuf Meherally Girls Hostel, Karnala, Raigad – Completed Renovation of "Girls Shelter Home" for 118 Tribal Girls
- Aai Day Care Sanstha, Pen, Raigad – Construction of "Shelter Home" for Specially abled Children
- Shivani Village, Nanded – ₹1.15 Crores, three years Integrated Village Development Project, includes RWH of 334 Million Litres
- Vocational Training Project, Nanded – ₹1.35 Crores, three years projects - Vocational Training Centre for 5,000 youth every year
- De-Silting Project, Nashik – ₹40 Lakhs (RWH of 250 Million Litres in 15 Villages)

TOTAL NO. OF BENEFICIARY - GEOGRAPHY-WISE INFRA PROJECTS

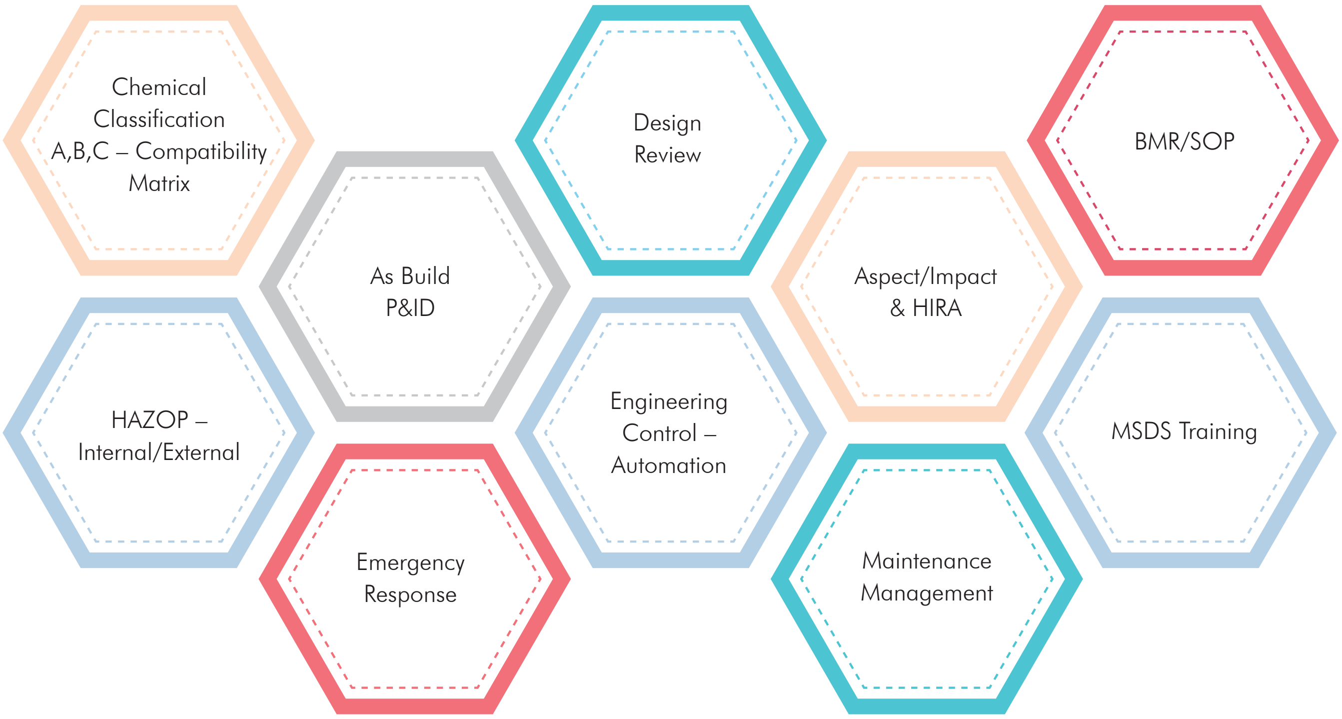


TOTAL NO. OF BENEFICIARY - GEOGRAPHY-WISE NON-INFRA PROJECTS



The Safety Culture at Galaxy – From Shop Floor to the Board

The important pillars of Safety at Galaxy are:



Initiatives 2020-21

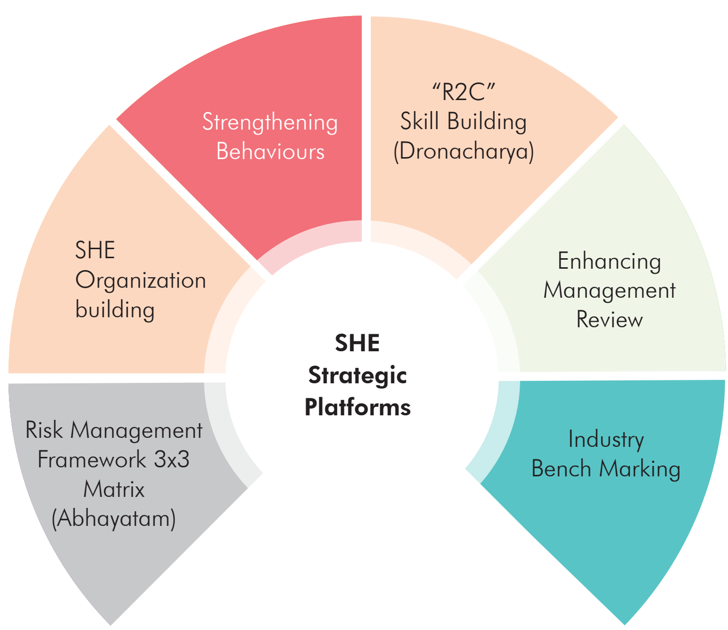
Project Abhayatam: A fearless new beginning

Under Project Abhayatam, there has been a shift from dependent safety culture to an independent safety culture, where everyone takes responsibility for safety - embedding safety in the culture and ethos of Galaxy.

Safety initiatives undertaken:

1. External First Aid Training Session
2. Mock Drills
3. Safety Trainings
4. Employee Engagement and sensitisation on safety
5. Safety Audits
6. Adoption of Behaviour Based Safety across locations

Strategic Platforms for Rejuvenating SHE – Safety, Health and Environment



Governance

Governance is the internal system of practices, controls, and procedures your Company has adopted to govern itself, make effective decisions, comply with the law, and meet the needs of external stakeholders.

Governance includes parameters such as: Board composition, Audit committee structure, bribery and corruption, executive compensation, lobbying, and whistle-blower schemes. Adhering to the highest standards of Corporate Governance, ensuring proper Succession Planning and Ethical behaviour are the pre-requisites to ensure sustainable growth.

Board

- Independent Chairman with no Executive Director > 70
- Audit, Nomination and Remuneration, Stakeholders' Relationship, CSR, Risk Management and Sexual Harassment Committees - constituted by Board
- 100% Attendance by all Members for all Board Meetings (2020-21)

Talent and Succession

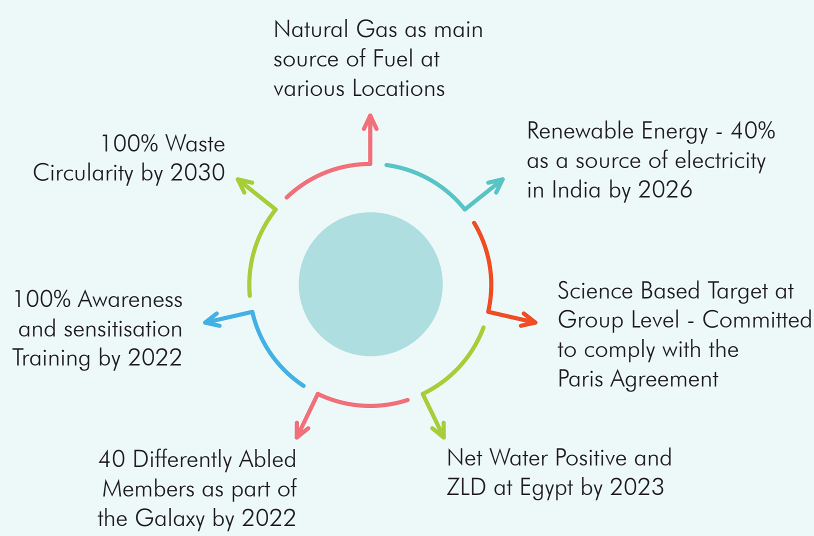
- Executive Board - Professional Board with only 1 Promoter Member and 2 Professional Directors
- 3 Layered Talent Development and Succession Plan
- GOC - Operating Council - Next to EB (Min. experience in Galaxy 10 years)
- Lean Structure for greater Opportunities

Building Blocks

- Building Leadership Skills Program - Udaan, Excellerate
- Grooming from the Start - Eklavya
- Enhancing Data Privacy, Security and Digital Infrastructure
- Employee Engagement Initiatives
- Whistle Blower, Organizational Culture, Sexual Harassment and Sustainability Training

The Future

As we enter the next decade, at Galaxy, we believe, businesses need to scale up their efforts and investments to secure our environment and society for a better tomorrow. Demonstrating highest standards of Corporate Governance along with proper Succession Planning are the pre-cursors for ensuring sustainable growth. **If 2000-2010 decade was about preaching ESG, 2010-20 about practicing; the next decade will be about proactiveness and progress.** At Galaxy, we believe everyone can make a difference when it comes to ESG. Some of the initiatives we plan to execute over the next 10 years are:



Awards and Recognition 2020-21

GIVEN BY CUSTOMER:


Jyothy labs

CERTIFICATE OF APPRECIATION

IS PRESENTED TO

GALAXY SURFACTANTS LTD

for partnering with us and for being an integral part of Jyothy Labs.
Your partnership has helped us serve better even during the Covid-19 Pandemic crisis.
We are proud of your immense contribution and commendable efforts

HEAD - OPERATIONS & COMMERCIAL
ANANTH RAO T

VP-SUPPLY SOURCING & MNF
SOMASUNDARAM S

MANAGING DIRECTOR
JYOTHY M R

CERTIFICATE OF APPRECIATION

Jyothy Labs

For excellent support extended during the pandemic and servicing the unprecedented demand, uninterruptedly.

RECEIVED FROM EXTERNAL BODIES:

EFfCI CERTIFICATION

SGS

This is the first GMP certification for Cosmetic Ingredient Manufacturing awarded to our Jhagadia Site (EFfCI: European Federation for Cosmetic Ingredient)


CII
Confederation of Indian Industry

CII - Sohrabji Godrej Green Business Centre

hereby certifies that

Galaxy Surfactants Ltd, Taloja

has successfully achieved the standards as required for the following level of certification under the GreenCo - Green Company Rating System which is valid for a period of 3 years

GreenCo Silver

Issue Date: 04-08-2020 Expiry Date: 03-08-2023

Jamshyd N Godrej, Chairman, CII-Godrej GBC

Pradeep Bhargava, Chairman, GreenCo Rating System

L S Ganapati, Chairman, GreenCo Assessor Panel

K S Venkatagiri, Executive Director, CII-Godrej GBC

GREENCO RATING - SILVER LEVEL

Galaxy Surfactants, Taloja plant was conferred with the CII Green Company rating (GreenCo - Silver level). GreenCo Rating revolves around 10 performance parameters, namely, energy efficiency, water conservation, renewable energy, greenhouse gas emissions, waste management, material conservation, green supply chain, product stewardship & life cycle assessment, innovation, and green infrastructure & ecology.

RESPONSIBLE CARE RECERTIFICATION

Your Company is also a signatory to the Responsible Care Global Charter since March 2015. Galaxy Surfactants Ltd. (India) has been granted permission to use Responsible Care Logo for a period of Three Years i.e., from February 2021 to January 2024 based on the virtual Responsible Care Recertification audit conducted in December 2020.

ECOVADIS GOLD MEDAL 2020

EcoVadis

Award to entire Galaxy Group for the performance on four Themes of Sustainability and Social Responsibility (Environment, Labour & Human Rights, Ethics, Sustainable Procurement)

CERTIFICATE OF EXCELLENCE – ALL INDIA KAIZEN COMPETITION 2020

BPC-Piramal (Baroda Productivity Council)

M3 Tarapur Site has been awarded as a Winner for the Kaizen in the Category – Waste Elimination.

CERTIFICATE OF APPRECIATION

IMC Chambers of Commerce and Industry

For becoming the first IMC Certificate of Origin Member to release the online digitally signed COO.

AWARDS AND RECOGNITION (PAST 10 YEARS) – ESG RELATED

2015-16

RSPO Trademark

- Gained status of being RSPO (Roundtable on Sustainable Palm Oil) certified Company for all its facilities in India and Egypt.
- Becomes the first company in India to receive the permission to use RSPO Trademark globally.

2015-16

Gold Recognition Level for EcoVadis CSR Rating

by EcoVadis

2015-16

Mr. Adarsh Nayyar - '100 Most Impactful CSR Leaders (Global Listing)' for the third time

World CSR Day - one among the '100 Most Impactful CSR Leaders (Global Listing)'

2015-16

PE process won two NIPM trophies at Regional and National Level

for HR Best Practices.

2016-17

SILVER level recognition in The India Green Manufacturing Challenge (IGMC) for the Jhagadia site.

organised by IRIM

For adopting green manufacturing practices and deploying sustainability.

2016-17

'CSR Leadership Award' from National CSR Congress

For the structured impactful implementation of various CSR projects and programmes.

2017-18

Great Place to Work-Certified

2017-18

Innovation Award - Gold at HPCI Mumbai 2018 for Galsoft GLI 21

2018-19

Responsible Care® Logo for a period of 3 years - January 2018 to December 2020

2018-19

ICIS Innovation Award 2018 in the Best Process Innovation Category

Green Process for the manufacture of Amino Acid Surfactants.

2018-19

Outstanding Contribution to "Partner to Win" by Unilever, ACI 2019

2019-20

Innovation Award - Gold at HPCI Mumbai 2020 for Galsoft TiLS (G)

Consolidated Financial Performance

5-year track record

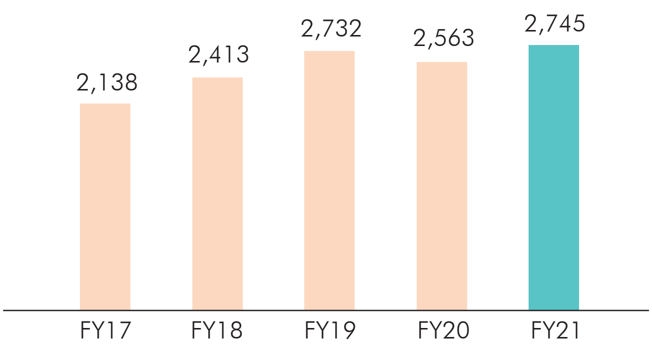
(₹ Crores)

Particulars	FY21	FY20	FY19	FY18	FY17
Profit & Loss Account					
Sales	2,745	2,563	2,732	2,413	2,138
Other Income	50	39	36	31	34
EBITDA	460	375	358	298	282
PBIT	386	313	307	249	235
Interest	13	24	30	31	27
Profit Before Taxation	372	289	277	219	207
Profit After Taxation	302	230	191	158	148
Basic Earnings Per Share of ₹10 (₹)	85.22	64.99	53.87	44.57	41.64
Dividend Per Share of ₹10 (₹)	18.00	14.00	8.00	7.00	6.00
Balance Sheet					
Fixed Assets	836	814	601	472	466
Long-term Investments	-	-	-	0.07	0.11
Net Current Assets	757	651	602	621	524
Total ^	**1,592**	**1,465**	**1,203**	**1,092**	**991**
Equity Capital	35	35	35	35	35
Reserves & Surplus	1,266	1,032	841	683	539
Loan Funds	268	373	299	349	395
Deferred Tax Liability	23	24	27	24	21
Total ^	**1,592**	**1,465**	**1,203**	**1,092**	**991**
PAT/ Sales (%)	11.0	9.0	7.0	6.6	6.9
Return on Capital Employed (%)	25.2	23.5	26.8	23.9	25.2
Return on Net Worth (%)	25.5	23.7	23.9	24.4	28.8
Net Current Assets to Sales (%)	27.6	25.4	22.0	25.7	24.5
Cash Generated from Operating activities	365	316	283	145	111

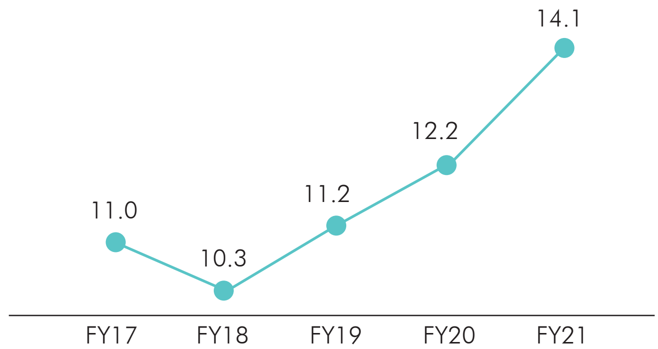
^ Figures rounded off to ₹ Crores

CONSOLIDATED PERFORMANCE TRENDS

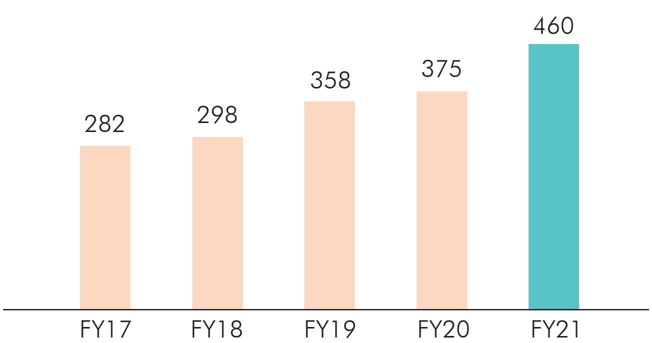
Sales (₹ Crores)



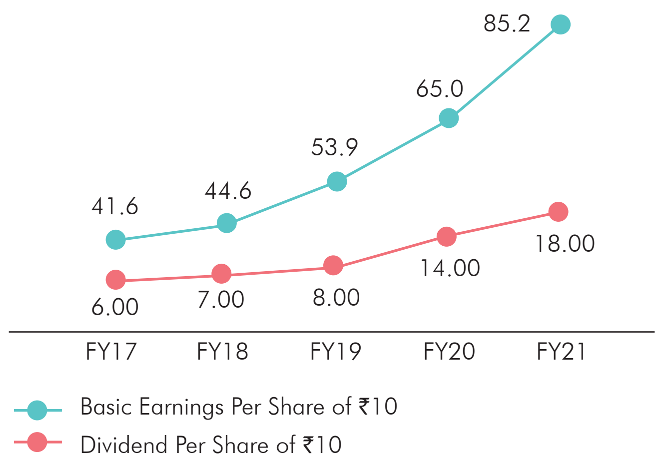
PBIT as % of Sales



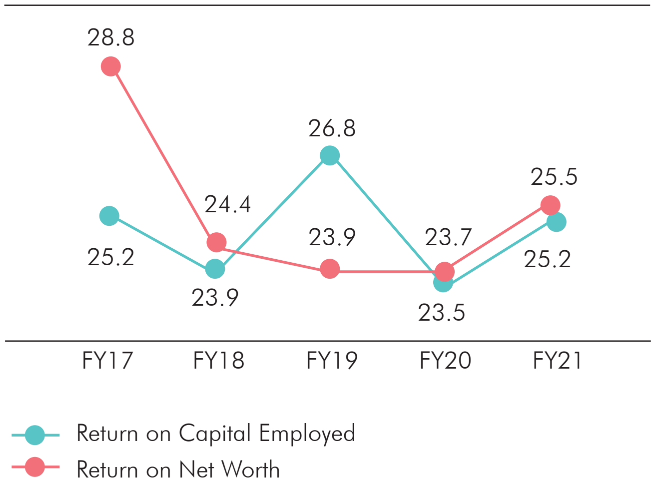
EBITDA (₹ Crores)



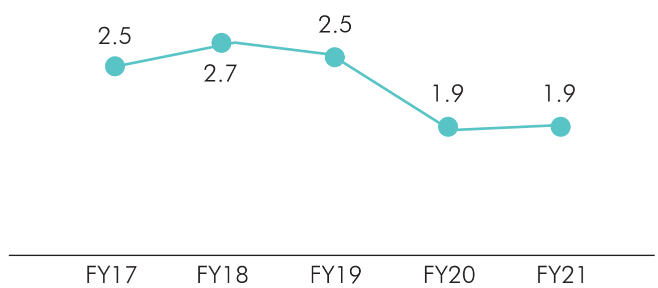
Basic Earnings & Dividend Per Share (₹)



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



Gross Fixed Assets Turnover (No. of times)



Board of Directors

S. Ravindranath

Chairman & Non-Executive Independent Director

Mr. Ravindranath has completed B.Sc. (Maths and Statistics) followed by a Masters in Operations Research and is a Fellow Member of the Institute of Cost Accountants of India. He brings to the Company extensive expertise and experience, having spent more than 30 years with Unilever, India in various capacities. He has been associated with the Company since 2007.

U. Shekhar

Promoter & Managing Director

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

K. Ganesh Kamath

Executive Director (Finance) & Chief Financial Officer

Mr. Kamath is a qualified CS, CWA and LLB with over 20 years of experience and has been associated with the Company since 2004.

K. Natarajan

Executive Director & Chief Operating Officer

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

G. Ramakrishnan

Promoter, Non-Executive Director

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

Dr. Nirmal Koshti

Non-Executive Director

Dr. Koshti holds a Ph.D. in Organic Chemistry (University of Bombay) and brings to the Company extensive post-doctoral research experience. He has been associated with the Company since 1986.

Vaijanath Kulkarni

Non-Executive Director

Mr. Kulkarni is a Chemical Engineer who is currently holding the position of MD of Galaxy Chemicals (Egypt) S.A.E. He has done his Advanced Management Program from Harvard Business School and has been associated with the Company since 1995.

Subodh Nadkarni

Non-Executive Independent Director

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

M. G. Parameswaran

Non-Executive Independent Director

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

Nandita Gurjar

Non-Executive Independent Director

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

Uday K. Kamat

Non-Executive Director

Mr. Kamat is a qualified CA and CWA with 15+ years of association with the Company.

Shashikant Shanbhag

Promoter, Non-Executive Director

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

Management Discussion and Analysis

INTRODUCTION

The financial year 2020-21 can be summarized as the year of two halves. While the first half was marred by the pandemic, bearing the characteristics like that of a compressed spring, the second saw the compressed spring bouncing back to life with the resurgence of growth and consumer spending vis-à-vis the first half. But just as we were getting back to normalcy, Wave II has reignited the volatility and uncertainty again.

While Wave I tested our resolve and brought with it a new set of learnings, Wave II will be all about People, Safety and application of the learnings learnt during Wave I.

Just like the Spanish Flu in 1918-1919 which saw cumulatively three waves hitting various nations, with the second wave being the most disastrous, we believe, the current pandemic too, might exhibit the same characteristics. We see the pandemic continuing to be part of our daily lives and business in the coming year.

While the scenario outside has been grim, strong, and sustained demand has ensured a robust business performance in FY 2020-21 for your Company. Driven by the strong demand for our performance surfactants globally, your Company has been able to capitalize on the pandemic related demand for surfactants. Greater consciousness about health, hygiene and cleanliness will ensure this momentum continues. While the specialty business saw a decline in FY 2020-21, with the developed economies opening up, we do see this business making a comeback in the coming year.

While the demand remains robust, operational challenges on account of logistics (availability of containers), people (pandemic risk) and raw materials (availability and volatility) continue to add uncertainty. But on the back of an experienced team along with a people first approach, your Company is ensuring we leave no stone unturned.

While as a company we are geared up for all possible challenges, we hope and pray that the ensuing year sees the last of this pandemic, which has been nothing short of a human catastrophe.

GLOBAL ECONOMIC OUTLOOK

It is one year since COVID-19 was declared a global pandemic, a year of terrible loss of lives and livelihoods. The rising human toll worldwide and the millions of people that remain unemployed are grim markers of the extreme social and economic strain that the global community still confronts.

After an estimated contraction of −3.3 percent in 2020, the global economy is projected to grow at 6 percent in 2021, moderating to 4.4 percent in 2022. The contraction for 2020 is 1.1 percentage points smaller than that projected in October 2020. Among advanced economies, the United States is expected to surpass its pre-COVID GDP level this year, while many others in the group will return to their pre-COVID levels only in 2022. Similarly, among emerging market and developing economies, China had already returned to its pre-COVID GDP in 2020, whereas many others are not expected to do so until well into 2023.

The divergent recovery paths are likely to create significantly wider gaps in living standards between developing countries and others, compared to pre-pandemic expectations.

Global growth is expected to moderate to 3.3 percent over the medium term—reflecting projected damage to supply potential and forces that predate the pandemic, including aging-related slower labor force growth in advanced economies and some emerging market economies.

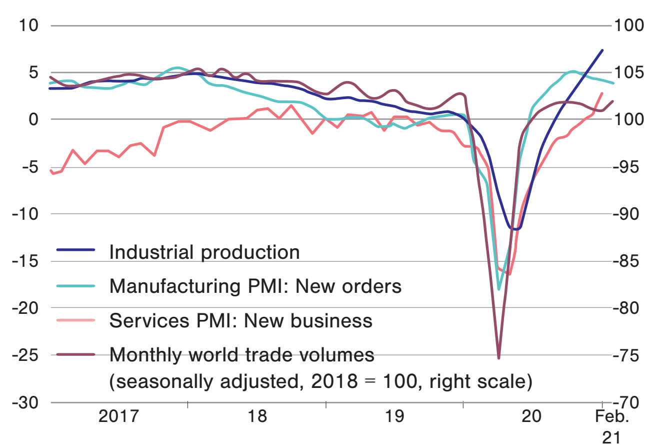
Protectionist tendencies could extend to medical supplies and COVID-19–related pharmaceutical advances, which would impede the global supply of vaccines.

Greater progress with vaccinations can uplift the forecast, while new virus variants that evade vaccines can lead to a sharp downgrade.

Global Activity Indicators

(Three-month moving average, annualized percent change; deviations from 50 for PMI, unless noted otherwise)

High-frequency indicators suggest that manufacturing and trade are back to pre-pandemic levels, but there is still some way to go in the services sector



Sources: CPB Netherlands Bureau for Economic Policy Analysis; Haver Analytics; Markit Economics; and IMF staff calculations.
Note: PMI = purchasing managers' index

-IMF, World Economic Outlook, April'2021

INDIAN ECONOMY

Fiscal 2021 has been a challenging year for the Indian economy, which was already experiencing a slowdown before the pandemic. The International Monetary Fund has predicted a rebound growth of 11.5% in FY22, but there is obviously a permanent residual loss to the economy, which will take quite some time to overcome. While the economy declined by 23.9% in Q1 and 7.5% in Q2, India saw a rise of 0.4% in Q3.

The recently announced national budget has rightly focused on health including preventive healthcare for individuals and communities along with the deployment of digital surveillance and digital protection.

The Organisation for Economic Co-operation and Development (OECD) forecasts that India would be the fastest growing economy in 2021 and 2022. A pick-up in private consumption, spurred by a strong release of pent-up demand, spending by Government, robust agricultural performance, and the coincident revival of manufacturing, construction, banking, and real estate activity, shall provide for the bedrock of the recovery.

The swift pace of vaccination raises hopes of a faster recovery. But the emergence of Wave II can act as a dampener. As India grapples with the second wave of COVID-19 infections, the Indian economy still faces the following risks:

1. RISING UNEMPLOYMENT

Labour markets bore the extreme brunt of the COVID-19 outbreak and economic disruptions caused by the lockdown. According to the International Labour Organization, India registered an annual average loss of 13.7 per cent of the working hours in 2020. While casual labourers were forced mostly to unemployment, regular wage earners and self-employed became unemployed and some moved completely out of economic activity.

2. SUPPLY CHAIN DISRUPTIONS

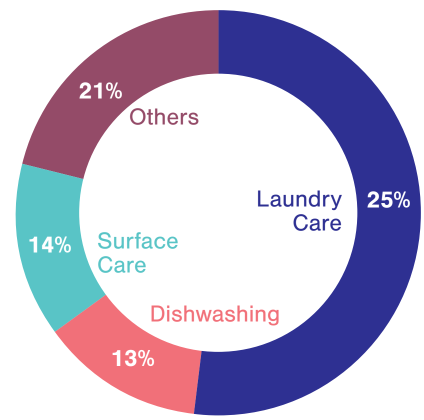
The renewed surge in cases has brought to fore the fear of localized lockdown. This could pose a moderate challenge to the supply chains of various sectors. The rise in fuel costs, unavailability of containers for exports and restrictions imposed on account of lack of oxygen pose significant operational challenges.

3. THE RISK OF MUTATION

With 10% of the population already vaccinated, the rate of vaccination is still slower than the rate of the spread of the COVID-19 virus. It is estimated that it will take 18 months for 70% of the country to get vaccinated. This percentage is enough for the chain to finally break, but this time is enough for the virus to mutate and get deadlier.

GLOBAL HOME CARE MARKET

The Global Home Care Market in 2020 grew 4% and is estimated to be USD 167 Billion (value) market.



-Internal Research Team

LAUNDRY CARE

The category benefits from a high level of accessibility and demand. The category caters to all income groups through its formats, whether it is the powder detergents and detergent cakes for the low- and medium-income groups or the liquid laundry detergents, detergent pods, baby laundry etc. for the high-income groups. The pandemic saw restrictions being imposed on movement of people thereby restricting the availability of house-helps and confining people to their homes. Consequently, combined with greater consciousness for health and hygiene, laundry demand saw a significant uptick. As income levels rise and house-help gets more inaccessible and expensive, households across developing markets shall expand into automatic laundry.

DISHWASHING

The home seclusion trend has resulted in increased purchases of dishwashing products, with automatic formats appealing to more affluent consumers (with dishwashers), while hand dishwashing products continue to appeal due to both lower prices and versatility.

SURFACE CARE

The pandemic elevated surface care sales across all regions. The category is expected to maintain an increased share in global home care sales as consumers are set to retain some aspects of the cleaning habits acquired during the health crisis.

Trends Influencing Home Care demand

- Elevated focus on hygiene and wellness
- Environmental consciousness and sustainability
- Convenience, and the rise of e-commerce.
- Out of stock situations compelled the consumers to try alternatives to conventional brands leading to downtrading. In a tense economic climate, private label is set to thrive.

While other industries have suffered from the spread of lockdown, the home care industry has played a crucial role in limiting the spread of the virus and offered a sense of mental assurance to households as they battled with this invisible threat.

GLOBAL PERSONAL CARE MARKET

The Global Beauty & Personal care market in 2020 stood at USD ~500 Billion. The global beauty industry witnessed a decline of 1.3% in 2020, with Europe and North America most negatively impacted from curbed demand caused by the Covid-19 pandemic.

But the pandemic has also accelerated many trends including:

- Accelerated Digitalisation - key enabler for access, virtual assistance, personal engagement, and community building
- Convergence of beauty with health and wellness accelerated further, providing several opportunities around new positionings and portfolio expansion
- Assurance of safety, ingredient transparency and herbal/ plant-based formulations gained further momentum. Sustainability commitments have emerged more strongly post pandemic
- Shift in Demand. To survive through the pandemic, most beauty players shifted to or expanded production capacity of hand sanitizers, which led to increased demand for raw materials such as ethanol and isopropyl alcohol

INDUSTRY TRENDS

HOME & BEAUTY ECO-LUTION

Covid-19 has brought an elevated hygiene focus among consumers worldwide. Safety and efficacy go hand-in-hand as consumers look to the concept of total protection regardless of where they live:

- There is an increased inclination of consumers towards locally produced products. Therefore, brands will continue to collaborate with and support local businesses with an authentic and long-term strategy.
- Create the next evolution of 'clean' by marrying ethics with safety to cater to the conscious and careful consumer focused on avoiding undue risk inside and outside the box.
- With the renewed focus on safety and personal health, manufacturers are expected to focus on innovative packaging, an increase in biodegradable ingredient usage as well as circular economy and green new deal initiatives driven by increasingly complex lifecycle assessment monitoring.

TOTAL WELLNESS

With stress and anxiety levels being high in these uncertain times, consumers are spending more time at home. Consumers are set to invest in products and services that assist them in creating a wellness and health hub within their own homes. Consumers also use beauty, self-care routines to combat the mental health effects of the pandemic.

DIY (DO IT YOURSELF)

Aversion to being in public have made the Do-It-Yourself personal care products as an interesting alternative to have in one's self -care routine in a post-lockdown world especially with the Budget friendly choice of DIY skincare, where consumers can enjoy spending time crafting their own customized versions of their home and personal care products.

PREMIUMISATION

Extensive users, premium buyers and digitally influenced consumers are ahead of moderate and minimal users, value buyers and non-digital consumers in looking for sustainable home and beauty features.

SURFACTANTS INDUSTRY INSIGHTS

The pandemic as if gave a new lease of life to the performance surfactants which on the back of the surging demand for hygiene and cleanliness linked products witnessed a significant traction. While the overall demand stood at 10.5 million MT in 2019, the same rose to 11.0 million MT in 2020 driven primarily by the strong demand for AES and LABSA in the Home Care products.

HOME AND PERSONAL CARE IN INDIA

Home care saw just a minor fall in its retail volume and current value growth rates in 2020 compared with 2019. However, response to COVID-19 was seen between categories, depending on their contribution to hygiene and their perceived necessity.

The focus on hygiene and preventative health products ensured the higher growth of surface care and home insecticides, whilst the largest category, laundry care, also maintained a stable growth rate. In all categories, however, price-consciousness was seen again in consumers, which had taken a temporary backseat due to hygiene concerns and scare. But, with lower incomes and job losses seen in the country downtrading of brands and formats is a common phenomenon.

E-commerce saw much stronger value growth in home care in 2020 than in 2019.

Beauty and personal care grew marginally in 2020 compared to 2019. The overall personal care volumes had sharply declined in the initial half of the year. In some personal care categories, down trading by consumers was observed on account of loss of jobs lowering the disposable income, though this trend was temporary. Resurgence in demand was seen from second half onwards where the economy slowly started coming back on track boosting the people mobility. Body wash was the most affected category being discretionary and price sensitive in nature. From consumers' perspective, necessities which ensure health and wellbeing, such as bar and liquid soap and hand sanitizer, took precedence over other categories in personal care. Baby and child-specific products also saw a limited impact, as parents prioritized the needs of their children over their own needs.

HOME AND PERSONAL CARE IN EGYPT

Unlike India, Egypt did not witness any lockdowns on account of the pandemic therefore demand relatively remained stable. While demand for Personal Care saw a slight uptick, Home Care products saw a significant uptick. Multinational companies made a strong comeback in the Home Care market

Going ahead, we see continued demand for basic cleaning products which are both inexpensive and versatile. Hygiene at personal level as well as at home is expected to become a long-term trend.

Overall, beauty and personal care saw a slight uptick driven by multiple factors. The closure of beauty salons and spas encouraged consumers to attend to their beauty and personal care ablutions at home. Facial care saw a particular boost, with face masks and cleansers such as micellar water becoming popular. Growth in bath and shower was also stimulated by consumers' higher levels of personal hygiene due to the COVID-19, which boosted sales of liquid soap and hand sanitizers. Sun care & men's grooming fared badly due to consumers spending less time outdoors during the event of COVID-19. The demand for mass personal care products outpaced premium categories.

BUSINESS OVERVIEW
BUSINESS PERFORMANCE

While challenges on account of the pandemic continued to add uncertainty to the business, this year we believe was the year of our 'People' – the drivers of our Business. The grit, resolve, persistence, and composure demonstrated by our people ensured this robust performance.

Your Company measures its performance on the following matters:

Ratios	2020-21	2019-20	Y-o-Y Change
Volumes (MT)	2,36,164	2,24,237	5.3%
EBITDA (₹ Crores)	460	375	22.6%
EBITDA/MT (₹/MT)	19,465	16,716	16.4%
Profit after Tax (₹ Crores)	302	230	31.1%
Cash Flow from Operations (₹ Crores)	365	316	15.5%
Debtors Turnover Ratio	6.0	5.9	0.1
Inventory Turnover Ratio	4.1	5.1	(1.0)
Interest Coverage Ratio*	28.7	13.1	15.6
Current Ratio	1.9	1.6	0.3
Debt Equity Ratio#	0.21	0.35	(0.14)
Operating Profit Margin	14.1%	12.2%	1.9%
Net Profit Margin	11.0%	9.0%	2.0%
ROCE	25.2%	23.5%	1.7%
RONW	25.5%	23.7%	1.8%

*On account of lower interest cost & higher profitability

#On account of repayment of debt and higher net worth

As you see all parameters were in line with the stated objectives; despite a loss of production for the first 1.5 months of the year

Given the strong performance your Company also upgraded the EBITDA/MT guidance from ₹ 15,000 – 17,000/MT to ₹ 16,000 – 18,000/MT for the coming year.

Factors that worked for your Company include

1. Exclusive focus on the Home and Personal Care industry – The year 2020-21 has yet again shown why 'Focus' is critical. Disruption on account of the pandemic ensured temporary to permanent destruction of demand for majority of the sectors. But while the world, confined to their homes grappled with the pandemic, greater awareness about hygiene, cleanliness and health ensured significant pickup in demand for the home care and hand care related products. As the main function of our performance surfactants is 'Cleanliness', we were ready to cater to this sudden surge in demand. It is the relative inelasticity of demand of the Home and Personal Care industry and our exclusive focus that ensured we were ready to cater to the needs of our Home and Personal Care customers. This inelasticity and focus impart the required stability to our business and earnings

   a. Performance Surfactants – The bedrock of any cleanliness formulation recorded a +8.8% volume growth for FY 2020-21 driven by strong demand for home care (laundry, dishwashing, surface care and institutional cleaning) and hand care (hand wash) products. The new plant operationalized in April 2019 gave the required boost and equipped us with the required capacities to cater to this sudden surge in demand

   b. Specialty Care Products – While premiumization as a trend took a back seat for the 1st Half of the year, with economies opening up & renewed consumer spending, specialty products made a comeback in the second half of the year. As a segment Specialty Volumes remained the same vis-à-vis Previous year registering a minor decline of 1% Growing consciousness about sustainably sourced ingredients, environmentally friendly products shall act as a strong tailwind for our specialty portfolio in the coming decade. While preservatives and mild surfactants are witnessing traction in the developed markets, in the emerging world these are just starting out. Your Company is ready to capitalize on these emerging opportunities. 'Green' is the buzz word today and all our upcoming innovations have been modelled along these lines. These innovations shall drive the next leg of growth for your Company in the coming decade

2. Geographical Spread – While operational challenges persisted throughout the year, demand for our products was universal. The pandemic wave ensured; needs were similar. Catering to 80+ countries with manufacturing operations in India, Egypt, and USA, we were able to capitalize on this pandemic related surge from all locations. Egypt our subsidiary has made a strong comeback in the current year reporting a PAT growth of 218%. Despite specialty products slowing down in the first half of the year, TRI-K too recorded a PAT growth of 64%

   a. Regional Diversification acted as a hedge throughout the year. In Q-1 when India was shut, robust demand from AMET imparted stability. Starting from

July, pent up demand and channel restocking ensured India made a strong comeback. ROW markets too got their mojo back as economies started opening up from second half of the year. While volume growth was volatile in the 1st Half of the year, the 2nd Half saw all regions registering volume led growth.

b. For the year

   i. India saw +11.2% volume growth

   ii. AMET saw +8.2 % volume growth

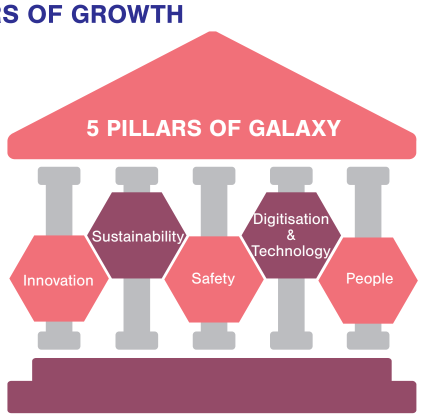
   iii. ROW saw -6.8% volume decline

3. People: Collaboration and Experience – Collaboration and experience are two critical factors which add significant value to any organization. These two qualitative competitive edges possessed by your Company are imparted by its People. Having witnessed multiple turbulent cycles over the last four decades, experience of the senior team ensured we ward off this challenge and come out unscathed and victorious. With a safety-first approach, your Company ensured security both for its employees as well as its customers. Agility and collaboration ensured we were quick to adopt the new age practices of working from home, leverage on technology, manage production and operations with limited resources, despite the innumerable challenges the pandemic posed at different points of time during the year.

4. Risk Management and Mitigation Based Approach – Risk can be defined as “a possibility of something dangerous or unpleasant happening; a situation that could be dangerous or have a bad result”

While in certain cases, risks can be foreseen and defined, majority of the times, risk is undefined. With this principle in mind, your Company has over the course of last four decades built in superior risk management and mitigation frameworks which have enabled its performance and delivery. Diversification in terms of customer base, supplier base, product base, country base and manufacturing base along with tools and structured processes to manage the underlying volatility and operations have imparted the required stability, sustainability, and scalability.

5 PILLARS OF GROWTH



INNOVATION AT GALAXY

In an ever-changing Home and Personal Care Industry, the Innovation Process of your Company has been at the forefront, identifying consumer needs, innovating and creating new products to satisfy them. Galaxy is a proud mind partner to both global multinational giants as well as the emerging niche manufacturers of broad range of next-generation beauty, wellness and home care solutions.

Environment Consciousness, improved functionality and better lifestyles of consumers are the cornerstones of innovation at Galaxy. Our current portfolio includes ingredients such as mild surfactants, surfactant blends, UV absorbers, functional macromolecules and non-toxic preservatives to cater to the niche and emerging consumer needs. Customization with Care® has been the mantra of our Research & Development Team.

Some of the significant innovations during the year were:

Galguard LipoG

Where Sustainability meets convenience, Galguard LipoG is a versatile and multi-functional ingredient for beauty and personal care products. It is non-toxic, bio-degradable, nature-derived and safe ingredient for consumers and the planet.

GALECOSAFE

GalEcoSafe range of surfactants are specially designed Fatty Alcohol Ether Sulphates with ultra-low 1,4-Dioxane levels. The low dioxane levels help to formulate Sodium Lauryl Ether Sulfate based products to comply with stringent and upcoming NY S4389B regulations and are therefore safe with low ecological toxicity.

HOME CARE – THE NEW HOMEGUARD

The emergence of E-Commerce acted as a trigger for many local niche companies in India and the onset of COVID-19 pandemic just gave the required boost to many local players in the Home Care space empowering them to look beyond their boundaries. But the need of the hour was expertise – expertise in manufacturing the required ingredients, expertise in developing formulations and expertise in the required after sales support. With the competency in providing Ready Application support, we could act as a catalyst and provide technical support and formulation expertise to multiple partners to develop products like Floor cleaners, All Purpose cleaners and Laundry Sanitizers, relevant to COVID-19 protection.

Your Company has played a pivotal role in presenting readymade solutions to many brands, collaborating with them in their product development journey. Galaxy with its wide range of products in the cleansing and sanitization segments along with exclusive dedication towards the home care space was ready and well prepared to capitalize on this emerging need for sanitization solutions.

With our range of products like Galsoft series, Galaxy Benzalkonium Chloride, Galaxy PEG 7 GC, and Galguard range of preservatives, we were ready to offer our formulation experience & know-how on real time basis which enabled our customers to be pandemic ready, catering to the sanitization needs of the end consumers. Many of these brands were launched during the pandemic and are present today, both online and offline.

We launched Laundry Liquid Concentrate GalFUSION LLDC in 2019-20. The ready-mix blend was very handy for many brands to have liquid laundry products developed in no time and be available to market through their online platform. We see the momentum for this product continuing in the ensuing year

The Home Care industry is now going to be centered on Sustainable products & formats, Safe Ingredients, Quick action & Effectiveness, and Multi-channel approach.

Galaxy has a strong team of Application scientists who are mind partnering with customers and aiding them to speed up the lab to scale-up process with their formulation expertise.

With our capabilities across various product platforms, we at Galaxy will continue to serve as a one-stop solution thus enabling the Home and Personal Care industry at all points of time

PATENTS

Since 2000, a total of 78 patents have been granted to Galaxy. Currently, 18 patents in USA, 2 patents each in Japan, Brazil and Russia, 5 in the European Union, 3 in China and 16 patents in India are being maintained by us. We have applied for an aggregate of 13 patents globally.

- In FY 2020-21, a total 6 patents were granted to Galaxy, of which 3 were granted in US, 1 each in India, China and Europe.

SUSTAINABILITY

Sustainability over the last few years has become a predominant factor across all the industries. Adhering to sustainability norms, we profoundly believe that we shall be able to give a cleaner, greener and a better future to our next generation.

Last year in FY 21, your Company completed ten glorious years of Sustainability. Your Company believes that sustainable growth is all about growing with our Planet driven by our People forging sustainable Partnerships. We celebrated this milestone through a virtual event named "Galaxy of Sustenance". We lived through Galaxy's decade old Sustainability Journey & gave a glimpse to our stakeholders into the future..!

Science-based targets are designed to provide a defined pathway for companies to reduce greenhouse gas (GHG) emissions.

These targets help companies reduce their emissions in line with the Paris Agreement goals. The ultimate goal of the Science-Based Target initiative is to limit global warming to 1.5°C and prevent the worst effects of climate change.

We need Science-based targets to check the direct and indirect impact of Climate Change on business. Furthermore, we aim to decouple environmental and social issues from economic growth. Your Company endeavors to be the frontrunner for sustainable growth, create a positive impact, and reduce environmental footprint while promoting inclusive growth. Galaxy Surfactants is, therefore, proud to share that we have committed to set science-based targets through the science-based targets initiative.

Openness in communications and dealings is one of Galaxy's values. Galaxy has been ahead of its time and has been actively publishing its Sustainability report for the past ten years

SAFETY

Strict preventive and hygiene protocols ensured that in respect of the employees required to visit plants, the infection rate remained in check; not having any material bearing on our operations, thereby enabling your Company's abilities to service the underlying demand.

The unfortunate accident at our Tarapur plant resulting in three fatalities led to a renewed and thorough review of the latent safety aspects of all our plants located in India and abroad. Accordingly, Your Company launched Project Abhayatam.

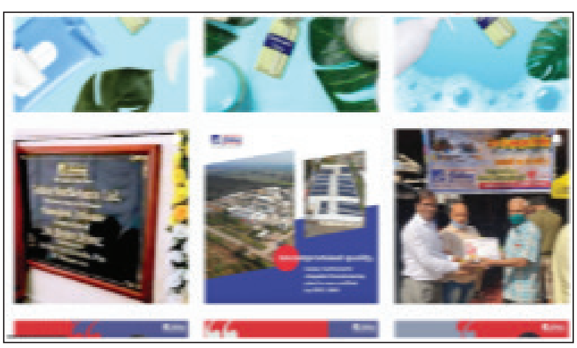
This project is a 8-step review mechanism by a Team of subject specialists within Galaxy and will strengthen the Design, Operations, Safety and Skill level of the floor. We have identified areas needing redundancy in Safety and we will provide the required automation to monitor and control critical operations across the organization

The company also implemented Behavior Based Safety (BBS) Program across all units. BBS encourages everyone to be part of the Safety journey, make it part of one's life and exercise the same by making safety observations and immediate spot corrections on the go. The same has been covered for all employees at all levels

DIGITISATION AND TECHNOLOGY

Business continuity during the pandemic has been enabled purely due to digitisation and swift technology adoption. Upgradation of SAP, migration to cloud and cybersecurity enhancements enabled most of the non-plant employees' work from their homes.

Due to the restrictions in movement, your Company couldn't engage face to face with its customers through various trade shows and customer meets. But that did not prevent us from engaging virtually. Your Company has been agile in adopting quick digital marketing and customer engagement initiatives.



We also celebrated our 40 years digitally, with all our stakeholders this year.

PEOPLE

People Energy Mission is to create a high-performance learning organisation in an engaged environment. This is ably anchored by our Vision to be the Employer of Choice having 'Talent to Outlast' mindset with the culture of 'Ownership', where people experience high pace Growth, intense Nurturing, Belonging & Pride.

The Galaxy Way of Leading brings alignment in the organisation by outlining the priorities in Business, Beliefs and Behaviours. The leadership pillars guide the business practices as well as the behaviours needed for optimal performance through competency framework.

We would like to express our sincere gratitude and appreciation to all our frontline employees, who even during such unprecedented times, ensured the Galaxy flag keeps flying high. It is their dedication and commitment that ensured Galaxy fulfils all its required commitments to its Customers and all other stakeholders.

Considering the uncertainty and ambiguity all around, our primary focus was to ensure wellbeing of our employees and their families. Special recognitions and necessary amendments in comprehensive policy frameworks contributed towards creating a wholistic, balanced and inspiring working environment for our workforce. The organisation has taken utmost care and extended time to time awareness, support and facilities to curb COVID-19 and help keep our entire employees, families, and our customers safe. Continuous awareness, regular toolbox talks, medical facilities, vaccination coverage and guiding employees and their families has enabled us to ensure the wellbeing of our workforce especially in these trying times.

Despite the uncertainty, focus remained on upskilling programs, technical trainings, action based learning projects and competency-based leadership programs. Compliance programs ensured that the employees are updated and get a chance to revisit Code of Conduct Policies, Whistle-blower, Human Rights and Prevention of Sexual Harassment programs.

There were several interventions planned as part of the D&I initiatives. Our D & I framework is focused on building women leadership in senior management as well as overall workforce. Also, our commitment is to give employment to 40 persons with disabilities (PwD) by 2022.

Additionally, various women centric initiatives such as self-defence programs as well as PoSH programs were conducted virtually during the year.

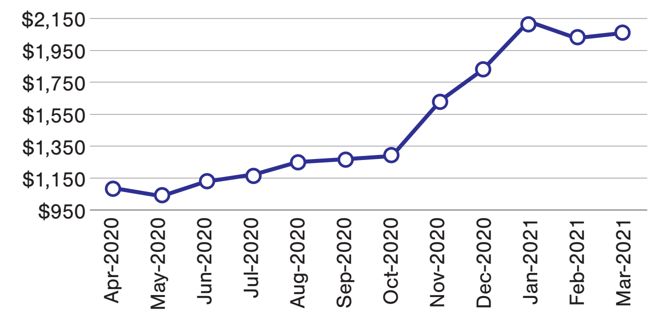
To summarise, if FY 2020-21 were an alphabet, it would be called as the year of P - 5P's. Pandemic & Pressures countered by Persevering People and Persistent Partnerships.

We thank all our employees for displaying unmatched resolve and delivering what has been the best year in Galaxy's history!

RAW MATERIAL SCENARIO

Fatty Alcohol and Fatty Acids which are Crude Palm Kernel Oil derivatives are our key raw materials and these make up > 55% of our total raw material procurement. Fatty Alcohol is sourced from South East Asia, with multiple suppliers in Indonesia, Malaysia and Thailand. Your Company has de-risked its raw material vendor/country risk.

Fatty Alcohol Price Treand 2020-21 (USD/MT)



Source: ICIS

2020-21 has been a rare year on many counts. One such count was with respect to the Raw Material Prices which post a crash in Q-1 FY 21 saw a resurgent recovery & rise for balance part the year. Fatty Alcohol prices declined in Q1 on account of lockdown in different geographies. With the opening-up of the economies, demand (particularly in Hygiene sector) started improving which gave a fillip to the prices in Q2. The supply was lower than expected in Q3 due to labor shortage & unfavorable weather conditions in Indonesia & Malaysia which added further fuel to the rise. The average price vis-s-vis the FY'20 increased by 22%.

CRUDE PETROLEUM DERIVATIVES

Your Company also consumes certain crude petroleum derivatives. The major ones are Ethylene Oxide, Phenol and Linear Alkyl Benzene. These make up 22-25% of the total Company's Feedstock purchases. Strong risk management practices, competitive pricing models and a diverse customer base enabled us to manage the volatility in a superior manner.

Low energy requirement and higher inventories due to travel restrictions, led to a major decline in the Crude oil prices in Q1. With economies opening slowly & significant production cut from OPEC+ group, oil got the required support & the prices have risen significantly since then. Oil will continue to remain volatile amidst the pandemic uncertainties & geopolitical situation.

AWARDS AND RECOGNITION

Galaxy Surfactants, Taloja plant was conferred with the CII Green Company rating (GreenCo - Silver level). The plant thus became only the 2nd Surfactant unit in the country to achieve this feat. GreenCo Rating revolves around 10 performance parameters, namely, energy efficiency, water conservation, renewable energy, greenhouse gas emissions, waste management, material conservation, green supply chain, product stewardship & life cycle assessment, innovation, and green infrastructure & ecology.

Your Company has achieved consistent progress in Carbon Disclosure Project (CDP) 2020 with Score of Management Level 'B' in CDP- Climate Change compared to global average of 'C', Management Level 'B-', in CDP-Water compared to global average of 'B' and Leadership level, 'A-' in Supplier Engagement compared to global average of 'C'.

Your Company won the GOLD medal 2020, awarded by EcoVadis.

Your Company is also a signatory to the Responsible Care Global Charter since March 2015. Galaxy Surfactants Ltd. (India) has been granted permission* to use Responsible Care Logo for a period of Three Years i.e., from February 2021 to January 2024 based on the virtual Responsible Care Recertification audit conducted in December 2020. *with subject to Physical Verification Post Covid-19 normalcy, within 90 days

Galaxy Surfactants' Jhagadia Manufacturing plant has been accredited with EFfCI GMP certification. This certification comes as a reward for complete compliance in the production of all Cosmetic Ingredients manufactured at the site.

Your Company also received the Certificate of Appreciation from its customer Jyothy Labs 'For excellent support extended during the pandemic and servicing even the unprecedented demand, uninterruptedly.'

Received Certificate of Excellence – All India Kaizen Competition 2020 from BPC (Baroda Productivity Council)

M3 Tarapur Site has been awarded as a Winner for the Kaizen in the Category – Waste Elimination. Received Certificate of Appreciation from IMC Chambers of Commerce and Industry for becoming the first IMC Certificate of Origin (COO) Member to release the online digitally signed Certificate of Origin (COO).

RISK ASSESSMENT

DEMAND RISK

In the past year, consumer behavior has been purely essential in nature. Demand for essentials remained strong throughout the year, but demand for discretionary products only picked up as lockdowns eased. With the pandemic disrupting lives at different points of time, cut back in spending could result in a slower than expected recovery for the Specialty Care Products

CLIMATE RISK

Monsoons can have a severe impact on the Indian rural consumption. This remains a key risk for our domestic business. The year witnessed many natural disasters across continents heightening the ill effects of climate change. The various natural catastrophic events while to date have not caused any damage, the occurrence of such an event can have a significant bearing on the operations of the Company if it affects the business directly.

GEO-POLITICAL RISKS

Your Company today supplies to 80+ countries. Approximately 2/3rd of the revenues come from the International markets. Supply Chain disruptions on account of non-availability of containers or reckless political decisions which can adversely impact trade, currency or macro stability of the country, could have a material bearing on the business of your Company in that country

OPERATIONAL RISKS

These include risks that arise on account of raw materials, exchange volatility, and risks on account of people. The disruption caused due to the sudden lockdown had a significant bearing on your Company's operations in the last week of March 2020. With the second wave of infections in India, new lockdowns/restrictions have again been imposed. Such disruptions on account of sudden intermittent lockdowns adversely impact the availability of people which in turn could impact the Company's operations and business performance adversely.

While your Company has a comprehensive risk management framework in place to guard against the raw material volatility, given the oligopolistic nature of the Fatty Alcohol market, dependence on one supplier for ethylene oxide and unavailability of critical raw materials due to supply chain constraints can have an adverse impact on the performance. Non-functioning of domestic transport due to the unavailability of labour or non-functioning of ports can again materially impact the business of your Company. Your Company remains naturally hedged, despite that, sudden extended depreciation or appreciation over a short period of time can have a material bearing on the Company's performance.

The risk of key management personnel leaving exists. To guard against the same, your Company has a competitive and comprehensive remuneration policy combined with appropriate rewards and recognition plans.

GESTATION RISK

Specialty Care products undergo significant testing and qualification procedures before the same are incorporated in the end formulation by the customer. The result of the same may not always be positive. These products, hence, carry a significant gestation risk and materialization of the same can potentially affect the business performance of the Company. The pandemic has ensured postponement of new launches and projects. Simultaneously it has delayed the CAPEX planned for our new products. While we do not see any structural risks, this did have an adverse impact on the current year's performance, and this may continue in the coming year.

FINANCIAL RISKS

Your Company is also susceptible to risks associated with macro-economic conditions. Slowing economies and recessionary conditions raise the risks of defaults/non-payments by customers in certain geographies. Your Company addresses these concerns through appropriate payment terms and policies.

CORPORATE SOCIAL RESPONSIBILITY

Your Company believes that it is the society which makes us and therefore it is critical we give back to the society. Accordingly, the Company has spent ₹ 4.10 Crores during the year for CSR activities. Following are the details of the amount spent:

HEALTH & HYGIENE (AROGYA VARDHEENI)

Your Company understands the paramount importance of health & hygiene and hence through this platform –

- Supported 100 Tribal Creches, in 54 villages, Chhattisgarh, by providing nutritional food to 1100 underprivileged and malnourished poor infants.
- Supported free diagnosis and treatment of 495 poor tribal patients suffering from tuberculosis, coming from 72 villages in Bilaspur, Chhattisgarh.
- Started a Health Centre providing concessional diagnosis, treatment & referral, for 11,458 poor people coming from 8 villages of Jhagadia, Gujarat.
- Continued to support 10 Thalassemia affected children towards their blood transfusion & medicine.
- Provided safe drinking water facility to 22 schools covering 1,556 students in Maharashtra & Gujarat.

EDUCATION (GYAAN SANJEEVANI)

Your Company constructed 4 Classrooms & distributed 300 schools' kits for std. 9th students.

COMMUNITY DEVELOPMENT (SAMAJEEK UTTHAN)

Your Company through this initiative executed its first Integrated Village Development project in the drought prone area of Nanded, Maharashtra; based on the 'Ridge to Valley' watershed concept. This initiative helped the village harvest 96.4 million litres of rainwater.

A 2-year river de-silting project was initiated across 15 villages of Nashik, Maharashtra.

Apart from these initiatives your Company also supported the construction of a shelter home for special children. These children apart from shelter, will also be given the necessary vocational education and trainings to enable them to earn their livelihoods.

ENVIRONMENT PROTECTION (VATAVARAN SURAKSHA)

Through this program, your Company planted 2,425 trees during the year and cumulatively has planted 47,753 trees in the last 7 years.

Your Company supported 13 poor households for rooftop rainwater harvesting, in Taloja, which resulted in 27 million liters of rain water being harvested. Your Company has spent 43 lakhs rupees towards animal welfare during the year.

WOMEN EMPOWERMENT (STREE UNNATI)

The objective of your Company is to empower young women from slum & tribal areas. Your Company funds the required livelihood training programs to ensure these women earn their livelihoods as Beauticians, Retail & Sales officers, Tailoring, Housekeeping, Para nursing, etc.

Despite the pandemic, this initiative was not stopped. In the current year 40 women were imparted online training in 'Nursing and Bed-side Assistance'. Through this initiative close to 351 women today are independent and earning their livelihood.

CALAMITY RELIEF (AAPDA RAHAT)

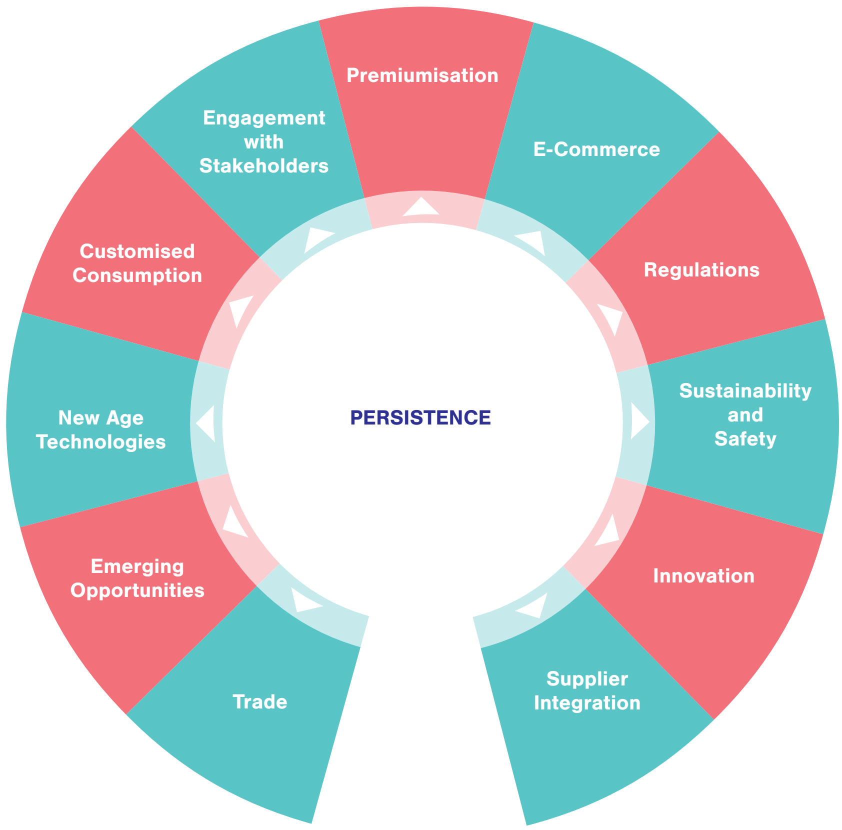
During Covid-19 pandemic, your Company touched the lives of 137,935 people, including the 'Covid Warriors' through the following initiatives:

- Distribution of 1,685 litres of Hand Sanitizers, 16,564 litres of Liquid Handwash, 1,700 PPE Kits, 7,300 Masks and other articles to 72,970 Covid Warriors & 57,584 community people;
- Your Company also provided rations to 1,762 families consisting of 7,381 contract labors, migrant labors, slum and tribal workers.

BUSINESS OUTLOOK

The coming decade will be the decade of 'Persistence'.

Your Company believes, FY 2021-22 will be more about application of our learnings learnt in FY 2020-21. While uncertainties on account of the pandemic will persist, living with it, managing it, and growing will be the mantra. Demand for hygiene related products is expected to remain robust and as things open, renewed consumer spending will give the required fillip to our specialty demand. While labor exodus may delay the operationalization of our new Specialty plants, we believe, this will not have any bearing on the long-term picture which continues to remain positive. Your Company has been investing ₹100 Crores on an average every year to enhance its Capacities; we see this trend continuing in FY 2021-22.



Easing restrictions will also give the added impetus to launch new products, thus aiding our new age innovations and specialty care products.

Your Company believes in playing for the long haul. 'Persistence' as defined above will be the key and work is being done in each and every area to ensure we are equipped and ready for it. In an age marked by digitization, e-commerce, sustainable and environment friendly innovations, we believe, we are not only increasing our presence in the home and personal care space but with every innovation, every new customer, and every new country we add, we are just getting closer and closer to you – Our very own Galaxy!

Directors' Report

TO THE MEMBERS

Your Directors have great pleasure in presenting the Thirty Fifth (35th) Annual Report together with the Audited Statements of Accounts for the year ended March 31, 2021.

1. FINANCIAL RESULTS

(₹ Crores)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
REVENUE & PROFITS				
Total Revenue from operations	**1830.50**	**1793.12**	**2784.06**	**2596.38**
Profit before Interest, Tax & Depreciation	**297.49**	**286.54**	**459.69**	**374.83**
Less : Interest & Finance Charges	8.37	16.90	13.42	23.80
Less : Depreciation	49.80	39.94	73.95	62.19
Profit for the year before Tax	**239.32**	**229.70**	**372.32**	**288.84**
Less : Provision for Taxation				
- Current	62.23	58.12	71.08	61.34
- Deferred	(0.77)	(10.60)	(0.90)	(2.91)
Net Profit after Tax	**177.86**	**182.18**	**302.14**	**230.41**
RETAINED EARNINGS				
Opening Balance of Retained Earnings	827.81	720.48	953.44	797.88
Add: Profit for the year	177.86	182.18	302.14	230.41
Add: Other comprehensive income	(1.24)	(2.18)	(1.24)	(2.18)
Less: Appropriations: Dividend				
- Interim Dividend	49.64	49.64	49.64	49.64
- Special Dividend/Final Dividend*	0.00	10.64	0.00	10.64
Total Dividend on Equity Shares	49.64	60.28	49.64	60.28
Provision for Corporate Dividend Tax on Dividend	-	12.39	-	12.39
Balance as at end of the Year	**954.79**	**827.81**	**1204.70**	**953.44**

* ₹ 10.64 Cr is Final Dividend for 2018-19 paid in 2019-20.

Operating Subsidiary – TRI-K Industries Inc., USA

Particulars	₹ Crores		USD 000's	
	2020-21	2019-20	2020-21	2019-20
REVENUE & PROFITS				
Total Revenue from operations	**374.42**	**339.65**	**50461**	**47953**
Profit before Interest, Tax & Depreciation	**54.83**	**36.45**	**7391**	**5146**
Less : Interest & Finance Charges	0.48	0.55	65	78
Less : Depreciation	6.09	3.91	821	552
Profit for the year before Tax	**48.26**	**31.99**	**6505**	**4516**
Less : Provision for Taxation				
- Current	8.80	3.12	1187	441
- Deferred	(0.78)	4.33	(106)	610
Net Profit after Tax	**40.24**	**24.54**	**5424**	**3465**
RETAINED EARNINGS				
Opening Balance of Retained Earnings	148.21	123.67	21969	18504
Add: Profit for the year	40.24	24.54	5424	3465
Balance as at end of the Year	**188.45**	**148.21**	**27393**	**21969**

Operating Subsidiary – Galaxy Chemicals (Egypt) SAE

Particulars	₹ Crores		USD 000's	
	2020-21	2019-20	2020-21	2019-20
REVENUE & PROFITS				
Total Revenue from operations	**886.76**	**697.89**	**119509**	**98531**
Profit before Interest, Tax & Depreciation	**103.05**	**53.51**	**13889**	**7555**
Less : Interest & Finance Charges	5.24	10.02	707	1416
Less : Depreciation	18.15	18.41	2447	2599
Profit for the year before Tax	**79.66**	**25.08**	**10735**	**3540**
Net Profit after Tax	**79.66**	**25.08**	**10735**	**3540**
RETAINED EARNINGS				
Opening Balance of Retained Earnings	32.99	7.91	(648)	(4188)
Add: Profit for the year	79.66	25.08	10735	3540
Balance as at end of the Year	**112.65**	**32.99**	**10087**	**(648)**

2. DIVIDEND

The Board in its meeting held on February 8, 2021 had declared an interim dividend of ₹ 14/- per equity share i.e. 140% of nominal value of ₹ 10/- each for the financial year 2020-21. The Board recommends a final dividend of ₹ 4/- per share making the total dividend for the financial year 2020-21 ₹ 18/- per share. The total dividend payout for the just concluded year shall be ₹ 63.82 Cr.

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

3. BUSINESS & FINANCIAL PERFORMANCE

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

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
EBITDA (% to Revenue from Operations)	16.3%	16.0%	16.5%	14.4%
PAT (% to Revenue from Operations)	9.7%	10.2%	10.9%	8.9%
ROACE (%)	21.4%	23.6%	25.2%	23.5%
RONW (%)	18.7%	21.8%	25.5%	23.7%
Debt : Equity Ratio	0.16	0.21	0.21	0.35
Earnings per Share (₹)	50.17	51.38	85.22	64.99
Cash Earnings per Share (₹)	64.21	62.65	106.08	82.53
Book Value per Share (₹)	286.79	250.98	367.06	301.16

Business:

FY 2020-21 was an exceptional year due to the Covid Pandemic. It began with a stringent lock down in the domestic market and then gradual unlocking of business and operations. All the countries in the world were affected by the pandemic. As your Company is engaged in the supply of ingredients that go into the making of day to day consumption items, it was the beneficiary of the relaxed norms applicable to suppliers of essential goods and services. Yet, the operations were subject to severe restrictions hampering our ability to service the entire demand. Indian operations temporarily got affected by the lock down which is reflected in the first quarter financial results. In US and Egypt, as there were no Government mandated lockdowns, plants were operative in an otherwise prevalent environment of uncertainty characterized by supply chain disruptions.

Diversified market, plants in multiple geographies, focus on the HPC sector and operational excellence, exhibited in agile responses to the frequent disruptions, enabled your Company to ensure that the plants are up and running to near normal levels enabling it post consolidated volume growth of 3% over previous year. Consumer demand being of day to day consumption items, your Company did not witness any demand destruction. Credit profile of the customers continued to remain stable and the cash to cash cycle was normal as in regular times.

Composition of demand veered towards hygiene ingredients driven by the cleansing needs greatly enhanced by the pandemic. Your Company's Performance Surfactants expansion capitalized during early 2019 proved to be timely. This enabled your Company to address the sudden surge in demand for Performance Surfactants.

The pandemic and the climate change issues have given momentum to safe and sustainable consumption conceptualized as "clean beauty". Your Company's efforts over the years in speciality ingredients covering the range of sulfate free ingredients, non-toxic preservatives, green chemistry and sustainable consumption is in line with the emerging consumer and community trends. Contextual dip in specialty ingredients volumes in the first half of the year was made good by growth in the third and fourth quarter marking the normalization of the composition for Specialty Products during the year.

Skilled migrant labour exodus to their native has delayed the execution of brown field projects in Jhagadia and Tarapur for specialty products. The commissioning of these plants will happen in phases over the course of the next financial year. Ongoing projects with the customers for launch of new products would face some delays due to pandemic disruptions and reduced social engagements.

Sustainable resolution of the pandemic can drive the demand to meet the pent up consumption in these specialty categories. During the pandemic our innovation team engaged with customers in providing solutions for their new needs in safe and hygiene related consumer benefits. Tri-K Industries Inc innovation team supported with its application development capabilities to cater to consumer needs emanating from the pandemic conditions enabling a good growth in revenue and profits.

Galaxy Egypt was agile with its supply chain to ensure maximum uptime enabling a good growth in volumes and profits. It also widened its portfolio offerings to meet specific needs driven by the pandemic.

Upgradation of SAP, migration to cloud and cybersecurity enhancements enabled most of the non-plant employees' work from their homes. Steps taken by your Company to digitize its operations came in handy with the pandemic compulsions giving further momentum to such effort.

Strict preventive and hygiene protocols ensured that in respect of the employees required to visit plants and labs, the infection rate is minimized; reducing disruption of operations, thereby enabling service the demand.

Strong risk management practices, robust vendor relations, coupled with a good understanding of the feedstock market enabled your Company navigate the availability of feedstock and its price volatility.

Robust demand for hygiene products, capacities on ground, all-round operational excellence anchored in agile responses to the emerging uncertainties / contingencies, strict adherence to the covid safety protocols enabled your Company address the demand driven by daily needs by ensuring normal uptimes in operations.

Financial

The financial matrix given above reflects on the all-round growth of your Company and improved profitability covering all significant parameters surmounting the highly uncertain conditions and frequent new challenges.

Due to the social movement restrictions, connected expenditures like travel, exhibitions and corporate events could not be held resulting in cost reductions. To some extent this was offset by additional expenditure driven by covid needs. Favourable balance of advantage ensured that the overheads remained about the previous year levels, enabling improved EBITDA and PBT performance for the year.

Further, relative to the previous year, the new capacity in Performance Surfactants commissioned in early 2019-20 could be put to best use during the year to meet the step up increase in demand for hygiene products releasing the operating leverage and improving the bottom line.

Regulatory changes in export incentives in the second half of the year for Indian operations was more than offset by the release of arrears of export incentives for Egypt operations (accrued and arrears upto June 2019). Galaxy Chemicals Egypt (GCE) accounts for its export incentives on receipt basis. Relative to the previous year, GCE received an incremental USD 2.3 million as export incentives. GCE profits, being corporate tax exempt, there was a consequential reduction in effective tax rate on consolidated profits. Both the subsidiaries have done well during the year making significant contributions to the bottom line as the respective countries in which they operate were not subject to any mandatory lockdowns and regulatory restrictions on operations.

Unfortunate safety incident at our Tarapur plant resulting in three fatalities led to a thorough review of the latent safety aspects of all our plants located in India and abroad. During the process, we have identified some of the operations for discontinuance on grounds of environment, sustainability and safety. Accordingly, your Company has decided to impair assets worth ₹ 7.22 Crs at one of its facilities in Tarapur which was nearing its useful life and has provided for impairment in respect of assets with possibility of no alternative deployment. Further investments are also being done in enhancing the inherent safety design of the operations with enhanced automation. Keeping with its value of people first, your Company has decided to provide economic support to the families of the deceased including support for education and medical expenses.

During the year, your Company has declared an interim dividend of ₹ 14/- per share and has further proposed a final dividend of ₹ 4/- per share. The total pay-out for the year is estimated to be ₹ 63.81 Cr.

Given the second and third wave of Covid infections surging world over, we expect there would not be much respite during the ensuing financial year. Uncertainties attached with supply chains, volatility and timely availability of feed stock will continue to be the challenges to be addressed and overcome frequently.

4. PEOPLE ENERGY

Operating in a pandemic has stretched the imaginations of the HR management practices in creating safe working conditions for the employees, keep their morale high and sustain productivity to keep the corporate enterprise chugging in its economic engagements. It has been a tussle between life and livelihood, one complementing the other.

In view of the restrictions imposed during lockdown, employees were encouraged to work from home to the extent feasible. Operating protocols and COVID safety measures were put in place to ensure that those employees who had to report to the work place could adequately observe social distancing in a frequently and adequately sanitized work environment. Awareness sessions on precautions to be taken were conducted and updated COVID guidelines were communicated on regular basis. Task force enabling 24*7 access to medical assistance in case of need was set up and with monitoring of employees and their family members infected till recovery.

Economic sustenance of the work force was ensured by payment of full emoluments, additional allowance for need based reporting to work place during lock downs, full reimbursement of all medical expenses incurred on pandemic related treatment including access to private hospitalization and in acknowledgement of steadfast contribution made by the employees to conduct business and operations in the uncertain COVID environment; increments with retrospective effect for the full year were extended. High level of engagement, dedication and performance shown by work force in responding to the enterprise needs was acknowledged by disbursing an ex-gratia sum.

The unfortunate safety incident at Tarapur has resulted in the loss of three of our fellow colleagues. Further, extraordinary conditions of the pandemic also resulted in untimely demise of two of our colleagues to the pandemic despite marshalling of all resources and taking all possible mitigation measures. Your Company has reached out to the families expressing deep grief and assuring adequate economic sustenance to meet the continual needs of the family. To address the emotional distress and anxieties caused by pandemic and accident, your Company has engaged with reputed institutes to provide emotional support and wellbeing guidance to our employees.

Pandemic hastened the use of technology to enable conduct the business / operating proceedings in virtual manner. Using the technology platform, your Company could proceed with all its HR proceedings like appraisal, recruitments, welfare meetings, trainings, and award & recognition events in a virtual way. This has considerably increased the information technology quotient and application awareness with the employees. Your Company has taken care of all additional expenses incurred by the employees on account of pandemic.

Capability building efforts were virtually met through upskilling programmes, technical trainings, action learning projects and competency based need based leadership programmes. Compliance programmes ensured that the employees are updated and get a chance to revisit Code of Conduct Policies, Whistleblower, Human Rights and Prevention of Sexual Harassment programmes.

Our Diversity & Inclusion is focused on building women leadership in senior management as well as overall workforce. Also our commitment is to give employment to 40 persons with disabilities (PwD) by 2022. Interventions to include gender neutral hiring practices, women leadership assessment and development programmes and infrastructure building for PwD is in process. Additionally, various women centric initiatives such as self-defence programmes as well as PoSH programmes were conducted during the year.

5. QUALITY

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

Your Company focuses relentlessly on continuous improvement in quality across all domains and implements key Best Practices at all its sites which enables it to meet the stringent quality benchmarks set by multinational customers for the product qualifications.

Your Company has obtained its 1st EFfCI Certification for cosmetic ingredients for its Jhagadia site. The site has fulfilled the criteria for the Good Manufacturing Practices (GMP) standard of the EFfCI (European Federation for Cosmetic Ingredients). The quality of cosmetic ingredients is critical to assure safety, quality and efficacy of cosmetic/personal care products or formulations. Your Company has already adopted the principles of GMP and Quality Risk Management Approaches at all its manufacturing sites which are already certified with Cosmetic GMP standard ISO 22716.

World class practices such as TPM are adopted at the manufacturing sites augmented by internal benchmarking programmes such as Galaxy Manufacturing Excellence Award (GMEA) are conducted periodically.

Under the umbrella of Product Stewardship, your Company has further strengthened on Eco-integrations, Sustainable Product Development, Product Safety and Security. Product Certifications like Kosher, Halal, RSPO (MB & SG), COSMOS/Ecocert; product customization and solutions to meet consumer trends has been yet another aspect of value delivery to the customers.

6. SUSTAINABILITY / RESPONSIBLE CARE

Your Company conducts its business in a socially, environmentally sustainable, and economically viable manner through stakeholder inclusive process. Your Company has completed a decade long journey on sustainability initiatives that have helped in minimizing environmental impacts of its operations and actively contribute to social and economic development of the communities. Such initiatives are driven by a Sustainability Cell which is a three-tier structure with Steering Committee at apex comprising of members from the Board. Sustainability cell members meet thrice a year to access and review the sustainability and business responsibility performance. Also, your Company has established Sustainability Core Committee to act as an advisory group for long term projects which may have significant impact on business.

Your Company is committed to Science Based Targets initiative (SBTi) and setting a highly ambitious target to transition to low carbon economy. The key focus areas that have been identified are improving energy efficiency, increasing renewable energy consumption, reducing waste generation, minimizing water consumption, and mitigating climate change risks.

Your Company's Taloja plant has been conferred with the CII Green Company rating (GreenCo - Silver level) and the plant becomes only the 2nd Surfactant unit in the country to achieve this feat. GreenCo Rating revolves around 10 performance parameters viz., energy efficiency, water conservation, renewable energy, greenhouse gas emissions, waste management, material conservation, green supply chain, product stewardship & life cycle assessment, innovation, and green infrastructure & ecology.

Your Company has achieved consistent progress in Carbon Disclosure Project (CDP) 2020 with Score of Management Level 'B' in CDP-Climate Change compared to global average of 'C', Management Level 'B-' in CDP-Water compared to global average of 'B' and Leadership level, 'A-' in Supplier Engagement compared to global average of 'C'. During the year, your Company won the GOLD medal 2020 awarded by Eco Vadis.

Your Company has secured certifications of responsible care, RSPO (Responsible Sustainable Oil Production) that promotes safe and sustainable practices in the chemical industries. Responsible Care is the chemical industry's unique global initiative that drives continuous improvement in health, safety and environmental (HSE) performance, together with open and transparent communication with stakeholders. Your Company is signatory to Responsible Care Global Charter since March 2015. Your Company has been granted permission* to use Responsible Care Logo for a period of three years i.e. from February 2021 to January 2024 based on the virtual Responsible Care Recertification Audit conducted in December 2020.

Your Company continuously engages with their supply chain partners to improve operational efficiency and integrate sustainability considerations into value chain. Your Company conducts periodical site assessment for suppliers and checks the performance of non-financial indicators as well. Your Company has initiated interaction with suppliers for mutual value creation on sustainability front.

The performance of sustainability Goals and initiatives are shared on website and in the Sustainability Report of your Company.

*subject to Physical Verification Post Covid-19 normalcy, within 90 days.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

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

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

Against ₹ 4.07 Crores that were required to be spent on CSR activities under Schedule VII, your Company has successfully disbursed ₹ 4.10 Crores.

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

During the year, Company undertook the following CSR initiatives:

Sr. No.	Focused CSR Projects	Description
1.	Arogya Vardheeni (Health & Hygiene)	Your Company continues to support 100 Crèches in 54 villages of Chhattisgarh by providing nutritional food to 1,100 underprivileged and malnourished poor tribal infants. Your Company has supported free diagnosis and treatment of 495 underprivileged tribal patients suffering from tuberculosis hailing from 72 villages in Bilaspur, Chhattisgarh. Your Company has started a Health Centre providing diagnosis, treatment & referral for 11,458 underprivileged people located in 8 villages of Jhagadia block including other nearby villages in Gujarat. Your Company continues to support 10 Thalassemia affected children towards their blood transfusion & medicine. Your Company provided safe drinking water facility to 22 schools covering 1,556 students in Maharashtra & Gujarat. Till date, your Company has constructed 328 Toilet Blocks (128 Toilet Blocks in Schools & 200 Community Toilets) along with 1,918 Handwashing Stations.
2.	Gyan Sanjeevani (Education)	Your Company has constructed 4 Classrooms and distributed 300 school kits for std. 9th students during the year. Till date, your Company has adopted 116 Schools and supporting around 70,000 students. Till date, Company has distributed 149,022 notebooks to 36,000 students and distributed 1,608 school kits to students, in Gujarat and Maharashtra.
3.	Samajeek Utthan (Community Development)	Your Company completed its first Integrated Village Development Project in draught prone area of Nanded, Maharashtra, on the 'Ridge to Valley' watershed concept. Total 96.4 million litres of rainwater was harvested. Your Company has initiated 3 years second Integrated 'Village Development Project' in draught prone region of Maharashtra. Besides a 2-year 'River De-silting Project' have been initiated in 15 villages of Nashik, Maharashtra. Your Company supported construction of a 'Shelter Home' for special children in Pen, District Raigad, Maharashtra. These children will be given vocational education and training for their livelihood as well.
4.	Vatavaran Suraksha (Environment Protection)	Your Company planted 2,425 trees during the year, and cumulatively 47,753 trees have been planted in last 7 years. Your Company extended support for de-silting of a village pond in Jhagadia, Gujarat, which resulted in additional water holding capacity of 4.14 million litres of water. Your Company supported 13 poor households for rooftop rainwater harvesting, in Taloja, Maharashtra which resulted in harvesting of 27 million litres of water. During last 5 years, your Company succeeded in harvesting > 400 million litres of water through its 13 rainwater harvesting projects in Maharashtra, Gujarat & Tamil Nadu. Your Company has spent ₹ 43 lakhs towards animal welfare during the year.
5.	Stree Unnati (Women Empowerment)	Your Company continued training through virtual mode young women from slums for providing the livelihood Skills Trainings viz. Beautician, Retail & Sales, Tailoring, Housekeeping, Para nursing, etc. During this year, 40 women were imparted online training through recognized institute in 'Nursing and Bed-side Assistance'. Till date, 502 women have been trained, and 351 succeeded in getting jobs & 3 girls have started their own enterprise.
6.	Aapda Rahat (Calamity Relief)	During Covid-19 pandemic, your Company touched 1,37,935 people including 'Covid Warriors' through following initiatives: a) Distribution of Hand Sanitizers (1685 litres), Liquid Hand wash (16,564 litres), PPE Kits (1700), Masks (7300) and other articles to 72,970 Covid Warriors & 57,584 community people. b) Your Company also provided rations to Covid affected 1,762 families consisting of 7,381 contract labourers, migrant workers, poor slum & tribal communities.

8. SUBSIDIARY COMPANIES

As of March 31, 2021, your Company has five wholly owned subsidiaries within the definition of 'Subsidiary Company' under the Companies Act, 2013.

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

Pursuant to the provisions of sub section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the salient features of the financial statement of each of our subsidiaries are set out in the prescribed format AOC-1 which forms part of the Financial Statements section of this Annual Report.

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

During the year, no company had become subsidiary of your Company or ceased to be a subsidiary of your Company.

9. PARTICULARS OF EMPLOYEES & MANAGERIAL REMUNERATION

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

Mr. U. Shekhar, Promoter and Managing Director of the Company has decided to forgo the contractual emoluments payable for his services during the year 2020-21. The Nomination and Remuneration Committee (NRC) acceded to his request and let him render his services for a token amount in acknowledgment of continual contractual engagement. Mr. Shekhar would continue to draw his contractual emoluments from the 1st of April 2021. Further, Mr. K. Natarajan, Executive Director and COO has also decided to forgo the commission payable for the year 2020-21.

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

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Ms. Nandita Gurjar, who was appointed as an Independent Director of the Company till the 34th Annual General Meeting, was re-appointed for the second term of 5 years by passing special resolution by the Members in the said meeting.

ii. Independent Directors

As on March 31, 2021, your Company has 4 Independent Directors on its Board.

As per the provisions of the Companies Act, 2013, all Independent Directors of your Company were appointed for a second term of five consecutive years, not liable to retire by rotation except Mr. S. Ravindranath who would be completing 75 years on April 20, 2022 and completing his second term on the same date. The Independent Directors have given the declaration of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013.

iii. Reappointment of Directors Liable to Retire by Rotation

Your Board has 7 Directors who are liable to retire by rotation. The following two Directors are liable to retire in the ensuing AGM:

Name	Designation	DIN
Mr. Uday K Kamat	Non-Executive Director	00226886
Mr. G. Ramakrishnan	Promoter and Non-Executive Director	00264760

Mr. G. Ramakrishnan, being eligible offered himself for re-appointment and your Board recommends his re-appointment. Mr. Uday K. Kamat has conveyed his decision for not to be reappointed and accordingly he will retire in the ensuing AGM. Your Board has decided not to fill the vacancy created by the completion of the term of Mr. Uday K. Kamat.

Your Board wishes to thank Mr. Uday K. Kamat for his contributions to the Company in his long association with the Company.

These proposals are covered in Item Nos. 4 and 5 of the AGM notice as Ordinary Business.

iv. Key Managerial Personnel

During the year under review, there was no change in the Key Managerial Personnel.

11. NOMINATION AND REMUNERATION POLICY

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

12. EVALUATION OF BOARD, ITS COMMITTEES AND DIRECTORS

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

The details of programmes for familiarization of Independent Directors of your Company are available on your Company's website www.galaxysurfactants.com.

13. BOARD COMMITTEES

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

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

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

14. MEETINGS OF THE BOARD AND COMMITTEES

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

Secretarial Standards:

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

15. DIRECTORS RESPONSIBILITY STATEMENT

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

(i) that in the preparation of the Annual Accounts for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) that the Directors had selected such accounting policies and applied them 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 March 31, 2021 and of the Profit and Loss of the Company for that period;

(iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that the Directors had prepared the Annual Accounts on a going concern basis;

(v) that the Directors had laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and were operating effectively; and

(vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. AUDITORS

Statutory Auditors

M/s. Deloitte Haskins & Sells LLP (Firm Registration Number 117366W/W-100018) were appointed as Statutory Auditors of your Company at the Annual General Meeting held on August 17,2017 for a term of 5 consecutive years i.e. from the conclusion of 31st Annual General Meeting till the conclusion of 36th Annual General Meeting to be held in the year 2022.

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

Cost Auditors

Your Board of Directors, based on recommendation of the Audit Committee has appointed M/s. Nawal Barde Devdhe & Associates, Cost Accountants in Practice, to audit the cost accounts of the Company for the Financial Year 2021-22. In term of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members. Accordingly, a resolution seeking ratification by the members for the remuneration is listed as Item No. 6 of the AGM Notice as Special Business.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. S. N. Ananthasubramanian & Co., Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor for Financial Year 2020-21 is appended as **"Annexure F"** to this Board's Report.

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

17. RISK MANAGEMENT & INTERNAL FINANCIAL CONTROLS

Your Company has formulated and implemented a framework on Risk Management and major risks identified are systematically addressed through mitigating actions on a continuous basis. This framework is intended to assist in decision making process that will minimize potential losses, improve the management in the face of uncertainty and the approach to new opportunities, thereby helping the Company to achieve its objectives. The Board of Directors of your Company are of the opinion that, at present, there are no material elements of risk which will impinge on your Company's ability to conduct its business.

The Board has also formulated a Risk Management Committee which regularly meets to identify, discuss and mitigate risks in operational areas thereby bringing design and oversight in various areas of operations.

Review and enhancement of cybersecurity measures in view of the WFH was accelerated during the year. Various IT tools were deployed to ensure data security. Your Company continues in its journey of enhancement of its ERP by identifying and undertaking development projects which will help further strengthen the internal controls. During the year, despite of restrictions on account of the pandemic, your Company was able to successfully complete and operationalise certain key IT initiatives undertaken towards process automation and enhancement of process controls.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The internal control systems are regularly tested and reviewed at regular intervals and cover all offices, factories and key business areas. Any audit observations and follow up actions thereon are reported to the Audit Committee. Necessary policies and procedures have been adopted for ensuring the orderly and efficient conduct of business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds & errors.

18. PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE

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

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

19. CORPORATE GOVERNANCE

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

20. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

21. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

a) Transfer of Unclaimed Dividend to IEPF

As required under Section 124 of the Companies Act, 2013 (the Act), the unclaimed dividend amount aggregating to ₹ 1,33,450 lying with your Company for a period of seven years were transferred during the financial year 2020-21 to the Investor Education and Protection Fund established by the Central Government.

b) Transfer of shares to IEPF

As required under Section 124 of the Act, 11,200 Equity Shares, in respect of which dividend has not been claimed by the members for seven consecutive years or more, have been transferred by your Company to the Investor Education and Protection Fund Authority (IEPF) during the financial year 2020-21. Details of shares transferred are available on the website of IEPF as well as your Company.

22. BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report of your Company for the Financial Year 2020-21 forms part of this Annual Report as required under Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

23. DISCLOSURES AND INFORMATION UNDER THE COMPANIES ACT, 2013

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

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

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

b. Extract of Annual Return

Pursuant to the provisions of Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 the details forming part of the extract of the Annual Return in form MGT-9 is appended as **"Annexure B"** to this Board's Report and it is also available on the website at https://www.galaxysurfactants.com

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

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

d. Related Party Transactions

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

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

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

(₹ Crores)

Particulars	Name of Subsidiary/ Firm	Maximum amount of loans / advances / investments outstanding during the year ended March 31, 2021	Amount outstanding at the end of the year i.e. March 31, 2021
Investments- Equity Shares	Galaxy Chemicals Inc.	0.46	0.46
Investments- Equity Shares	Galaxy Holdings (Mauritius) Ltd.	2.37	2.37
Investments- Preference shares (at fair value)	Galaxy Holdings (Mauritius) Ltd.	217.80	213.88
Advances	Galaxy Chemicals (Egypt) SAE	0.82	0.09
Advances	TRI-K Industries, Inc.	0.11	0.10

e. Vigil Mechanism / Whistle Blower Policy

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

f. **Material Changes and Commitments**

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

g. **Transfer to Reserves**

Your Company proposes not to transfer any amount to the General Reserve for the Financial Year 2020-21.

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

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of your Company and its future operations.

i. **Reporting of frauds**

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

j. **Maintenance of Cost Records**

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

24. CAUTIONARY STATEMENT

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

25. APPRECIATION AND ACKNOWLEDGEMENT

The pandemic has resulted in an unprecedented stress on resources and infrastructure, and no words are adequate to appreciate the untiring efforts by frontline workers, health care professionals, Law enforcement agencies & Government who have been working round the clock in seeing through this pandemic. A special salute to all the employees for their spirited contribution that ensured continuity of the operations of your Company despite the turbulent and uncertain environment. These efforts still continue in navigating the challenges thrown by the second wave of COVID.

Your Company is grateful to the Government of India, the Governments of Maharashtra and Gujarat, the Government of countries where our subsidiaries are located and other Regulators for their continued co-operation, support and guidance. Your Company wishes to thank its investors, banking community, rating agencies and stock exchanges for their support. Your Company would like to take this opportunity to express sincere thanks to all its valued customers, dealers, agents and suppliers for their continued support and patronage. Your Directors express their deep sense of appreciation to all the employees whose outstanding professionalism, commitment and initiative has made the organization's growth and success possible and continue to drive its progress. Finally, your Directors wish to express their gratitude to the members for their trust and support.

For and on behalf of the Board

U. SHEKHAR
Managing Director
DIN: 00265017

K. NATARAJAN
Executive Director & COO
DIN: 07626680

Navi Mumbai
June 8, 2021

ANNEXURE A

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

A. CONSERVATION OF ENERGY

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

Your Company has taken following energy conservation measures during the financial year 2020-21 in different facilities of the Company:

With a commitment to conserve energy, several identified themes were implemented in spite of challenges faced due to COVID lockdown. Specific energy consumption dropped by 5 % by providing automation in operation of air blowers of main manufacturing plants. As a continual improvement in energy management system, the SEU (Significant energy user) share was increased from 87 % to 95.3 % for Electrical energy and from 84.3 % to 88.7 % for thermal energy. Special audits were conducted by external agencies in utilities to explore the savings potential and based on recommendations, the chilled water system efficiency was improved by 20%. The structured methodology of monitoring of Cost efficient Programs (C.E.P's) and Waste Elimination Suggestion Award Program (WESAP) has been continued which were reviewed by top management.

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

With a commitment to reduce our GHG emissions, a bold step was taken by organization to commit for reduction in 1.5 Deg C temp through SBiT (science Based target) methodology. On lines of same, a long-term power purchase agreement has been signed which will increase the share of renewable power for Taloja factory to 40 %. Ongoing installation of new projects at all sites also have provisions for partial energy intake through renewable sources.

B. TECHNOLOGY ABSORPTION

In the ever-changing and demanding Home and Personal Care Industry, the Innovation Process of your Company has been at the forefront, identifying consumer needs and innovating and creating new products to satisfy them. Also, your Company's contribution in terms of expertise with respect to innovative offerings and formulations has helped their partners to develop a broad range of next-generation beauty, wellness and home care products.

Your Company's innovative solutions built on the sensitivity towards environment and leading better lifestyles, utilize green chemistry and sustainability as their cornerstones. Expanding the current portfolio of your Company's various ingredients such as mild surfactants, blends, UV absorbers, functional macromolecules and non-toxic preservatives to satisfy consumer needs, has been the goal of Company's R&D.

Some of the significant achievements during the year are given below:

- Galguard LipoG: It is a versatile and multi-functional ingredient for beauty and personal care products. It is non-toxic, bio-degradable, nature-derived and safe for consumers and the planet.
- Galsoft SLL: Introduction of a 100% Natural, Green and Sustainable surfactant Galsoft SLL under the umbrella of mild surfactant range of offerings. It has been designed for both skin-care and hair-care and finds its use in both leave-on as well as rinse-off applications. It is a readily biodegradable surfactant with superior sensory benefits.
- GalEcoSafe: GalEcoSafe range of surfactants are specially designed Fatty Alcohol Ether Sulphates with ultra-low 1,4-Dioxane levels. The low dioxane levels help to formulate Sodium Lauryl Ether Sulfate based products to comply with stringent and upcoming NY S4389B regulations and are therefore safe with low ecological toxicity.
- The invention, "Personal and home care compositions comprising fatty acids from Tung seed oil as antimicrobial preservative." The invention offers a personal and home care composition comprising unfractionated whole of fatty acids derived from Tung seed oil, as an antimicrobial preservative.
- Another invention was filed with title "Safe and ecofriendly persistent sanitizing gel for topical application". The invention discloses persistent antimicrobial protection of hands and/ or surfaces of different objects using the hydro-alcoholic gel composition of the present invention in which the fatty acids of Tung seed oil are stabilize and immobilize the silver nanoparticles in the composition. The compositions of the present invention have 'natural origin' index of minimum 99 % as per ISO 16128-2.

During the financial year, 6 patents were granted for 6 inventions. This year Company has also filed 2 new patent applications.

Your Company has also undertaken expansion of its Research & Development Centre at TTC. This is expected to significantly enhance the R&D capabilities of your Company.

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

(₹ Crores)

Particulars	2020-21	2019-20
R & D Expenses	13.00	14.75
Capital Expenditure	1.00	2.44

C. FOREIGN EXCHANGE EARNINGS & OUTGO

(₹ Crores)

Particulars	2020-21	2019-20
Foreign Exchange Inflow	906.70	892.31
Foreign Exchange outflow	740.05	612.68

For and on behalf of the Board

U. SHEKHAR
Managing Director
DIN: 00265017

K. NATARAJAN
Executive Director & COO
DIN: 07626680

Navi Mumbai
June 8, 2021

ANNEXURE B

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2021

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	L39877MH1986PLC039877
Registration Date	May 20, 1986
Name of the Company	Galaxy Surfactants Limited
Category / Sub-Category of the Company	Public Limited Company having Share Capital
Address of the Registered Office and Contact Details	C-49/2, TTC Industrial Area, Pawne, Navi Mumbai-400 703. Ph: 91-22-3306 3700 / 91-22-2761 6666 Fax: 91-22-2761 5883/ 91-22-2761 5886 E-mail: investorservices@galaxysurfactants.com Website: www.galaxysurfactants.com
Whether Listed Company	Yes
Name, Address and Contact Details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C 101, 24/7 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai-400 083 Ph: 91-22-49186000 Fax: 91-22-49186060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the Business activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and description of main products/services	NIC Code of the Product/Service	% to total turnover of the Company
Manufacture of detergent and similar washing agents excluding soaps	20233	86
Manufacture of organic and inorganic chemical compounds n.e.c.	20119	14

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
Galaxy Chemicals Inc. 2 Stewart Court, Denville, NJ 07834, USA.	-	Subsidiary	100	2(87)
Galaxy Holdings (Mauritius) Ltd 4th Floor, Ebene Skies, Rue de L'Institut Ebene, Mauritius	-	Subsidiary	100	2(87)
Galaxy Chemicals (Egypt) SAE Plot No.9, Block M, The Public Free Zone, Attaka, Suez, Egypt.	-	Subsidiary	100	2(87)
Rainbow Holdings GmbH c/o, Raupach & Wollert- Emlendorff, Schwanstrasse, 6, 40476, Dusseldorf, Germany.	-	Subsidiary	100	2(87)
Tri-K Industries Inc., USA 2 Stewart Court, Denville, NJ 07834, USA.	-	Subsidiary	100	2(87)

IV. SHAREHOLDING PATTERN

i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
1. Indian									
a. Individual/HUF	16853957	0	16853957	47.53	16852267	0	16852267	47.53	0
b. Central Govt/ State Govt(s)	0	0	0	0	0	0	0	0	0
c. Bodies Corp.	543000	0	543000	1.53	543000	0	543000	1.53	0
d. Banks/Financial Institution	0	0	0	0	0	0	0	0	0
e. Any other	7752850	0	7752850	21.87	7752850	0	7752850	21.87	0
Sub-total (A) (1)	**25149807**	**0**	**25149807**	**70.93**	**25148117**	**0**	**25148117**	**70.93**	**0**
2. Foreign									
a. NRIs- Individuals	0	0	0	0	0	0	0	0	0
b. Other Individuals	0	0	0	0	0	0	0	0	0
c. Bodies Corp.	0	0	0	0	0	0	0	0	0
d. Banks/Financial Institution	0	0	0	0	0	0	0	0	0
e. Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	**25149807**	**0**	**25149807**	**70.93**	**25148117**	**0**	**25148117**	**70.93**	**0**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	4528930	0	4528930	12.77	4677256	0	4677256	13.19	0.42
b) Banks/Financial Institution	3189	0	3189	0.01	0	0	0	0	(0.01)
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	148947	0	148947	0.42	4908	0	4908	0.01	(0.41)
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others									
Alternate Investment Fund	147186	0	147186	0.42	44646	0	44646	0.13	(0.29)
Foreign Portfolio Investors	1152532	0	1152532	3.25	1212984	0	1212984	3.42	0.17
Sub-total (B)(1)	5980784	0	5980784	16.87	5939794	0	5939794	16.75	(0.12)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	58782	7700	66482	0.19	75754	7500	83254	0.23	0.04
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	1798955	314411	2113366	5.96	1929392	288361	2217753	6.26	0.30
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	870020	18000	888020	2.50	781855	0	781855	2.21	(0.29)
c. Others									
1. Trust	220	0	220	0.00	20	0	20	0.00	0.00
2. Hindu Undivided family	83928	0	83928	0.24	80232	0	80232	0.23	(0.01)
3. Non Resident Indians	193002	560332	753334	2.12	633322	141433	774755	2.19	0.07
4. Other Directors	104456	0	104456	0.29	104456	0	104456	0.29	0.00
5. Independent Directors	90000	0	90000	0.25	90000	0	90000	0.25	0.00

i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
6. Office Bearers	5885	121648	127533	0.36	5885	117648	123533	0.35	(0.01)
7. Clearing Member	8347	0	8347	0.02	29333	0	29333	0.08	0.06
8. NBFC Registered with RBI	33025	0	33025	0.09	15000	0	15000	0.04	(0.05)
9. IEPF	55450	0	55450	0.16	66650	0	66650	0.19	0.03
Sub-total (B)(2)	**3302070**	**1022091**	**4324161**	**12.20**	**3811899**	**554942**	**4366841**	**12.32**	**0.12**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**9282854**	**1022091**	**10304945**	**29.07**	**9751693**	**554942**	**10306635**	**29.07**	**0.00**
C. Shares held by custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**34432661**	**1022091**	**35454752**	**100**	**34899810**	**554942**	**35454752**	**100**	**0**

(ii) Shareholding of Promoters / Promoter Group

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares Pledged encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares Pledged encumbered to total shares	
1	U. Shekhar	4226740	11.92	0	4226740	11.92	0	0
2	Late Sandhya Patil*	4106040	11.58	0	4106040	11.58	0	0
3	Shashikant R. Shanbhag	4097684	11.56	0	4097684	11.56	0	0
4	G. Ramakrishnan	2362758	6.66	0	2362783	6.66	0	0
5	Jayashree Ramakrishnan	1842972	5.20	0	1842972	5.20	0	0
6.	Lakshmy Shekhar	127400	0.36	0	127400	0.36	0	0
7.	Sridhar Unnathan	48533	0.14	0	44544	0.13	0	(0.01)
8.	Anuradha Dayanand Prabhu	12000	0.03	0	12000	0.03	0	0
9.	Vandana Shashikant Shanbhag	10000	0.03	0	10000	0.03	0	0
10.	Gajanan N Amonker	6000	0.02	0	6000	0.02	0	0
11.	Saraswathy Natarajan K.S	3370	0.01	0	3370	0.01	0	0
12.	Sumathi Gopal	3000	0.01	0	3000	0.01	0	0
13.	Unnathan Shekhar, Gopalkrishnan Ramakrishnan, Shashikant R Shanbhag, Sandhya Sudhir Patil as Partners of M/s. Galaxy Chemicals	7752850	21.87	0	7752850	21.87	0	0
14.	Galaxy Emulsifiers Pvt. Ltd.	543000	1.53	0	543000	1.53	0	0
15.	Bhooma Shyam Gopal	0	0	0	0	0	0	0
16.	Karthik Shekhar	0	0	0	0	0	0	0
17.	Nandini Shekhar	0	0	0	0	0	0	0
18.	Shanthi Laxminarasimhan	0	0	0	0	0	0	0
19.	Vaidyanathan Unnathan	0	0	0	0	0	0	0
20.	C.S. Anandaram	0	0	0	0	0	0	0
21.	Galaxy Investments	0	0	0	0	0	0	0
22.	Galaxy Estates & Holdings	0	0	0	0	0	0	0
23.	Shubh Estates & Properties	0	0	0	0	0	0	0
24.	Osmania Traders Pvt. Ltd.	0	0	0	0	0	0	0
25.	Galaxy Finsec Pvt. Ltd.	0	0	0	0	0	0	0
26.	Hema Suryanarayanan	0	0	0	0	0	0	0
27.	Amit Ramakrishnan	0	0	0	0	0	0	0
28.	Akaash Ramakrishnan	0	0	0	0	0	0	0
29.	K.S. Natarajan	4450	0.01	0	6704	0.02	0	0.01
30.	Pradeep Patil	0	0	0	0	0	0	0
31.	Anil Patil	0	0	0	0	0	0	0
32.	Suchitra Chindarkar	0	0	0	0	0	0	0

(ii) Shareholding of Promoters / Promoter Group

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares Pledged encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares Pledged encumbered to total shares	
33.	Sugandha Sawant	0	0	0	0	0	0	0
34.	Siddharth Patil	0	0	0	0	0	0	0
35.	Yash Patil	0	0	0	0	0	0	0
36.	Vibhavari Ramesh Mande	0	0	0	0	0	0	0
37.	Sumedha Sawant	0	0	0	0	0	0	0
38.	Aeon Chemicals Pvt. Ltd.	0	0	0	0	0	0	0
39.	Datta-Suman Farms and Resorts Pvt. Ltd.	0	0	0	0	0	0	0
40.	Vanita Hiren Kerkar	3000	0.01	0	3000	0.01	0	0
41.	Shreekant Shanbhag	0	0	0	20	0	0	0
42.	Lata Nayak	10	0	0	10	0	0	0
43.	Pranav Shanbhag	0	0	0	0	0	0	0
44.	Sneha Shanbhag	0	0	0	0	0	0	0
45.	Vallabh Amonkar	0	0	0	0	0	0	0
46.	Vivek Amonkar	0	0	0	0	0	0	0
47.	Nilkant Gangadhar Amonker	0	0	0	0	0	0	0
48.	Maragatham Anandaram	0	0	0	0	0	0	0
	TOTAL	**25149807**	**70.93**	**0**	**25148117**	**70.93**	**0**	**0.00**

Note:

- *The equity shares of Late Mrs. Sandhya Sudhir Patil are under process of transmission.
- Due to the demise of Mrs. Janaki Seshan's name (appearing last year) has been deleted from the above list.

(iii) Change in Promoter Groups' Shareholding:

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Ramakrishnan Gopalkrishnan				
	i. At the beginning of the year	2362758	6.66	2362758	6.66
	ii. Increase (+) / Decrease (-) during the year				
	1. 24 Apr 2020	25	0.00	2362783	6.66
	iii. At the End of the year			2362783	6.66
2.	Sridhar Unnathan				
	i. At the beginning of the year	48533	0.14	48533	0.14
	ii. Increase (+) / Decrease (-) during the year				
	1. 10 Apr 2020	(633)	(0.00)	47900	0.14
	2. 31 Jul 2020	(517)	(0.00)	47383	0.13
	3. 07 Aug 2020	(578)	(0.00)	46805	0.13
	4. 16 Oct 2020	(367)	(0.00)	46438	0.13
	5. 11 Dec 2020	(924)	(0.00)	45514	0.13
	6. 25 Dec 2020	(85)	(0.00)	45429	0.13
	7. 31 Dec 2020	(149)	(0.00)	45280	0.13
	8. 12 Mar 2021	(736)	(0.00)	44544	0.13
	iii. At the End of the year			44544	0.13
3	K S Natarajan				
	i. At the beginning of the year	4450	0.01	4450	0.01
	ii. Increase (+) / Decrease (-) during the year				
	1. 17 Apr 2020	246	0.00	4696	0.01
	2. 23 Oct 2020	584	0.00	5280	0.01
	3. 20 Nov 2020	555	0.00	5835	0.02
	4. 15 Jan 2021	869	0.00	6704	0.02
	iii. At the End of the year			6704	0.02

(iii) Change in Promoter Groups' Shareholding:

Sr. No.	Particulars			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
4	Shreekant Shanbhag						
	i.	At the beginning of the year		0	0	0	0
	ii.	Increase (+) / Decrease (-) during the year					
		1.	8 Jan 2021	1	0.00	1	0.00
		2.	15 Jan 2021	6	0.00	7	0.00
		3.	21 Jan 2021	8	0.00	15	0.00
		4.	29 Jan 2021	1	0.00	16	0.00
		5.	12 Feb 2021	1	0.00	17	0.00
		6.	19 Feb 2021	3	0.00	20	0.00
	iii.	At the End of the year				20	0.00

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDR and ADR)

Sr. No.	For Each of the Top 10 Shareholders			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	SBI Mutual Fund						
	i.	At the beginning of the year		2412587	6.80	2412587	6.80
	ii.	Increase/ (Decrease) in Shareholding during the year					
		1.	31 Dec 2020	2000	0.01	2414587	6.81
	iii.	At the End of the year				2414587	6.81
2.	Axis Mutual Fund						
	i.	At the beginning of the year		1236121	3.48	1236121	3.48
	ii.	Increase/ (Decrease) in Shareholding during the year					
		1.	24 Apr 2020	1475	0.00	1237596	3.49
		2.	15 May 2020	1294	0.00	1238890	3.49
		3.	22 May 2020	2567	0.01	1241457	3.50
		4.	12 Jun 2020	8134	0.02	1249591	3.52
		5.	31 Jul 2020	35000	0.10	1284591	3.62
		6.	21 Aug 2020	1622	0.00	1286213	3.63
		7.	04 Sep 2020	16329	0.05	1302542	3.67
		8.	18 Sep 2020	(36626)	(0.10)	1265916	3.57
		9.	09 Oct 2020	(1501)	(0.00)	1264415	3.57
		10.	16 Oct 2020	(14399)	(0.04)	1250016	3.53
		11.	23 Oct 2020	(48197)	(0.14)	1201819	3.39
		12.	30 Oct 2020	(12309)	(0.03)	1189510	3.36
		13.	20 Nov 2020	37049	0.10	1226559	3.46
		14.	27 Nov 2020	(9363)	(0.03)	1217196	3.43
		15.	04 Dec 2020	(41596)	(0.12)	1175600	3.32
		16.	08 Jan 2021	2072	0.01	1177672	3.32
	iii.	At the end of the year				1177672	3.32
3.	Abu Dhabi Investment Authority - Behave						
	i.	At the beginning of the year		574107	1.62	574107	1.62
	ii.	Increase/ (Decrease) in Shareholding during the year		0	0	0	0
	iii.	At the end of the year				574107	1.62

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDR and ADR)

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
4.	Jayshree Ramesh				
	i. At the beginning of the year	558532	1.58	558532	1.58
	ii. Increase/ (Decrease) in Shareholding during the year	0	0	0	0
	iii. At the end of the year			558532	1.58
5.	Kotak Mutual Fund				
	i. At the beginning of the year	393314	1.11	393314	1.11
	ii. Increase/ (Decrease) in Shareholding during the year				
	1. 01 May 2020	(8084)	(0.02)	385230	1.09
	2. 15 May 2020	(583)	(0.00)	384647	1.08
	3. 10 Jul 2020	(9158)	(0.03)	375489	1.06
	4. 24 Jul 2020	(6872)	(0.02)	368617	1.04
	5. 31 Jul 2020	(2774)	(0.01)	365843	1.03
	6. 07 Aug 2020	(10000)	(0.03)	355843	1.00
	7. 14 Aug 2020	(7037)	(0.02)	348806	0.98
	8. 21 Aug 2020	(1966)	(0.01)	346840	0.98
	9. 18 Sep 2020	(3224)	(0.01)	343616	0.97
	10. 25 Sep 2020	(2987)	(0.01)	340629	0.96
	11. 02 Oct 2020	(3000)	(0.01)	337629	0.95
	12. 23 Oct 2020	23682	0.07	361311	1.02
	13. 30 Oct 2020	20000	0.06	381311	1.08
	14. 06 Nov 2020	1412	0.00	382723	1.08
	15. 25 Dec 2020	8000	0.02	390723	1.10
	16. 22 Jan 2021	4458	0.01	395181	1.11
	17. 29 Jan 2021	3324	0.01	398505	1.12
	18. 19 Feb 2021	1923	0.01	400428	1.13
	19. 26 Feb 2021	14663	0.04	415091	1.17
	20. 05 Mar 2021	9498	0.03	424589	1.20
	21. 12 Mar 2021	6359	0.02	430948	1.22
	22. 19 Mar 2021	11100	0.03	442048	1.25
	23. 26 Mar 2021	6258	0.02	448306	1.26
	24. 31 Mar 2021	6021	0.02	454327	1.28
	iii. At the end of the year			454327	1.28
6.	Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund				
	i. At the beginning of the year	298555	0.84	298555	0.84
	ii. Increase/ (Decrease) in Shareholding during the year				
	1. 03 Jul 2020	15458	0.04	314013	0.89
	2. 21 Aug 2020	50000	0.14	364013	1.03
	3. 23 Oct 2020	775	0.00	364788	1.03
	4. 30 Oct 2020	5	0.00	364793	1.03
	5. 06 Nov 2020	22	0.00	364815	1.03
	6. 13 Nov 2020	(67)	(0.00)	364748	1.03
	7. 20 Nov 2020	19	0.00	364767	1.03
	8. 27 Nov 2020	51	0.00	364818	1.03
	9. 04 Dec 2020	34	0.00	364852	1.03
	10. 11 Dec 2020	279	0.00	365131	1.03
	11. 18 Dec 2020	51	0.00	365182	1.03
	12. 25 Dec 2020	18	0.00	365200	1.03
	13. 31 Dec 2020	59	0.00	365259	1.03
	14. 01 Jan 2021	(3)	(0.00)	365256	1.03
	15. 08 Jan 2021	1407	0.00	366663	1.03
	16. 15 Jan 2021	268	0.00	366931	1.03
	17. 22 Jan 2021	184	0.00	367115	1.04

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDR and ADR)

Sr. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		18. 29 Jan 2021	55	0.00	367170	1.04
		19. 05 Feb 2021	62	0.00	367232	1.04
		20. 12 Feb 2021	(22)	(0.00)	367210	1.04
		21. 19 Feb 2021	4	0.00	367214	1.04
		22. 26 Feb 2021	133	0.00	367347	1.04
		23. 05 Mar 2021	(757)	(0.00)	366590	1.03
		24. 12 Mar 2021	(46)	(0.00)	366544	1.03
		25. 19 Mar 2021	93	0.00	366637	1.03
		26. 26 Mar 2021	142	0.00	366779	1.03
		27. 31 Mar 2021	14	0.00	366793	1.03
	iii.	At the end of the year			366793	1.03
7.	Stichting Depositary APG Emerging Markets Equity Pool					
	i.	At the beginning of the year	218889	0.62	218889	0.62
	ii.	Increase/ (Decrease) in Shareholding during the year				
		1. 03 Apr 2020	163	0.00	219052	0.62
		2. 10 Apr 2020	11841	0.03	230893	0.65
		3. 17 Apr 2020	3565	0.01	234458	0.66
		4. 08 May 2020	2232	0.01	236690	0.67
		5. 15 May 2020	2252	0.01	238942	0.67
		6. 22 May 2020	655	0.00	239597	0.68
		7. 29 May 2020	2345	0.01	241942	0.68
		8. 12 Jun 2020	(1630)	(0.00)	240312	0.68
		9. 19 Jun 2020	739	0.00	241051	0.68
		10. 26 Jun 2020	4257	0.01	245308	0.69
	iii.	At the end of the year			245308	0.69
8.	ICICI Prudential Life Insurance Company Limited					
	i.	At the beginning of the year	148947	0.42	148947	0.42
	ii.	Increase/ (Decrease) in Shareholding during the year				
		1. 10 Apr 2020	(6607)	(0.02)	142340	0.40
		2. 17 Apr 2020	(696)	(0.00)	141644	0.40
		3. 24 Apr 2020	(8210)	(0.02)	133434	0.38
		4. 01 May 2020	(13434)	(0.04)	120000	0.34
		5. 15 May 2020	1374	0.00	121374	0.34
		6. 05 Jun 2020	2	0.00	121376	0.34
		7. 12 Jun 2020	3975	0.01	125351	0.35
		8. 30 Jun 2020	(3230)	(0.01)	122121	0.34
		9. 03 Jul 2020	(5487)	(0.02)	116634	0.33
		10. 10 Jul 2020	(60)	(0.00)	116574	0.33
		11. 17 Jul 2020	(1658)	(0.00)	114916	0.32
		12. 24 Jul 2020	(8949)	(0.03)	105967	0.30
		13. 31 Jul 2020	(1645)	(0.00)	104322	0.29
		14. 07 Aug 2020	(14322)	(0.04)	90000	0.25
		15. 14 Aug 2020	(40000)	(0.11)	50000	0.14
		16. 21 Aug 2020	(630)	(0.00)	49370	0.14
		17. 28 Aug 2020	(530)	(0.00)	48840	0.14
		18. 18 Sep 2020	8605	0.02	57445	0.16
		19. 25 Sep 2020	19812	0.06	77257	0.22
		20. 02 Oct 2020	718	0.00	77975	0.22

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDR and ADR)

Sr. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		21. 16 Oct 2020	(22)	(0.00)	77953	0.22
		22. 23 Oct 2020	(43075)	(0.12)	34878	0.10
		23. 13 Nov 2020	(12878)	(0.04)	22000	0.06
		24. 20 Nov 2020	(143)	(0.00)	21857	0.06
		25. 27 Nov 2020	(2582)	(0.01)	19275	0.05
		26. 04 Dec 2020	(4000)	(0.01)	15275	0.04
		27. 18 Dec 2020	(7294)	(0.02)	7981	0.02
		28. 25 Dec 2020	(14)	(0.00)	7967	0.02
		29. 31 Dec 2020	(766)	(0.00)	7201	0.02
		30. 08 Jan 2021	(7201)	(0.02)	0	0.00
	iii.	At the end of the year			0	0.00
9.	Matthews Asia Small Companies Fund					
	i.	At the beginning of the year	126508	0.36	126508	0.36
	ii.	Increase/ (Decrease) in Shareholding during the year				
		1. 03 Apr 2020	1227	0.00	127735	0.36
		2. 10 Apr 2020	2486	0.01	130221	0.37
		3. 01 May 2020	(1896)	(0.01)	128325	0.36
		4. 08 May 2020	(26188)	(0.07)	102137	0.29
		5. 18 Sep 2020	20309	0.06	122446	0.35
		6. 13 Nov 2020	(10931)	(0.03)	111515	0.31
	iii.	At the end of the year			111515	0.31
10.	Padmanabh B Shanbhag					
	i.	At the beginning of the year	119400	0.34	119400	0.34
	ii.	Increase/ (Decrease) in Shareholding during the year				
		1. 20 Nov 2020	(4)	(0.00)	119396	0.34
		2. 27 Nov 2020	(1046)	(0.00)	118350	0.33
	iii.	At the end of the year			118350	0.33
11.	Union Small Cap Fund					
	i.	At the beginning of the year	0	0.00	0.	00
	ii.	Increase/ (Decrease) in Shareholding during the year				
		1. 31 Dec 2020	67881	0.19	67881	0.19
		2. 08 Jan 2021	18242	0.05	86123	0.24
		3. 15 Jan 2021	12292	0.03	98415	0.28
		4. 05 Feb 2021	(320)	(0.00)	98095	0.28
		5. 12 Feb 2021	(358)	(0.00)	97737	0.28
		6. 26 Feb 2021	4691	0.01	102428	0.29
		7. 05 Mar 2021	(1886)	(0.01)	100542	0.28
		8. 12 Mar 2021	(2431)	(0.01)	98111	0.28
	iii.	At the end of the year			98111	0.28

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For Each of the Directors and KMP		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	U. Shekhar - Managing Director					
	i.	At the beginning of the year	4226740	11.92	4226740	11.92
	ii.	Increase/ (Decrease) in Shareholding during the year	0	0	0	0
	iii.	At the end of the year			4226740	11.92
2.	G. Ramakrishnan - Non-Executive Director					
	i.	At the beginning of the year	2362758	6.66	2362758	6.66
	ii.	Increase/ (Decrease) in Shareholding during the year				
		1. 24 Apr 2020	25	0.00	2362783	6.66
	iii.	At the end of the year			2362783	6.66
3.	Shashikant R. Shanbhag - Non-Executive Director					
	i.	At the beginning of the year	4097684	11.56	4097684	11.56
	ii.	Increase/ (Decrease) in Shareholding during the year	0	0	0	0
	iii.	At the end of the year			4097684	11.56
4.	Uday K. Kamat - Non-Executive Director					
	i.	At the beginning of the year	33000	0.09	33000	0.09
	ii.	Increase/ (Decrease) in Shareholding during the year	0	0	0	0
	iii.	At the end of the year			33000	0.09
5.	K. Ganesh Kamath - Executive Director (Finance) and C.F.O.					
	i.	At the beginning of the year	20000	0.05	20000	0.05
	ii.	Increase/ (Decrease) in Shareholding during the year	0	0	0	0
	iii.	At the end of the year			20000	0.05
6.	S. Ravindranath - Independent Director					
	i.	At the beginning of the year	30000	0.08	30000	0.08
	ii.	Increase/ (Decrease) in Shareholding during the year	0	0	0	0
	iii.	At the end of the year			30000	0.08
7.	Subodh Nadkarni - Independent Director					
	i.	At the beginning of the year	30000	0.08	30000	0.08
	ii.	Increase/ (Decrease) in Shareholding during the year	0	0	0	0
	iii.	At the end of the year			30000	0.08

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For Each of the Directors and KMP		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
8.	M. G. Parameswaran - Independent Director					
	i.	At the beginning of the year	30000	0.08	30000	0.08
	ii.	Increase/ (Decrease) in Shareholding during the year	0	0	0	0
	iii.	At the end of the year			30000	0.08
9.	Nandita Gurjar - Independent Director					
	i.	At the beginning of the year	0	0	0	0
	ii.	Increase/ (Decrease) in Shareholding during the year	0	0	0	0
	iii.	At the end of the year			0	0
10.	Nirmal Koshti - Non-Executive Director					
	i.	At the beginning of the year	15856	0.04	15856	0.04
	ii.	Increase/ (Decrease) in Shareholding during the year	0	0	0	0
	iii.	At the end of the year			15856	0.04
11.	K. Natarajan - Executive Director and C.O.O.					
	i.	At the beginning of the year	9600	0.03	9600	0.03
	ii.	Increase/ (Decrease) in Shareholding during the year	0	0	0	0
	iii.	At the end of the year			9600	0.03
12.	Vaijanath Kulkarni - Non-Executive Director					
	i.	At the beginning of the year	26000	0.07	26000	0.07
	ii.	Increase/ (Decrease) in Shareholding during the year	0	0	0	0
	iii.	At the end of the year			26000	0.07
13.	Niranjan Ketkar - Company Secretary					
	i.	At the beginning of the year	0	0	0	0
	ii.	Increase/ (Decrease) in Shareholding during the year	0	0	0	0
	iii.	At the end of the year			0	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ Crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2020)				
i) Principal Amount	189.26	0.28		189.54
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	0.94	-		0.94
Total (i+ii+iii)	**190.20**	**0.28**		**190.48**
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	26.08	0.20		26.28
Net Change	**(26.08)**	**(0.20)**		**(26.28)**
Indebtedness at the end of the financial year (31.03.2021)				
i) Principal Amount	163.78	0.08		163.86
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	0.35	-	-	0.35
Total (i+ii+iii)	**164.13**	**0.08**		**164.21**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director and Whole-time Directors

(₹ Crore)

Sr. No.	Particulars of Remuneration	Name of Managing Director and Whole Time Directors			Total Amount
		U. Shekhar (Managing Director)	K. Ganesh Kamath (Executive Director & CFO)	K. Natarajan (Executive Director & COO)	
1.	**Gross Salary**				
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0.40#	2.24	2.20	4.84
(b)	Value of perquisites under Section 17(2) of Income Tax Act, 1961	0.00*	0.05	0.05	0.11
(c)	Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	-	-	-	-
2.	**Stock Options**	**-**	**-**	**-**	**-**
3.	**Sweat Equity**	**-**	**-**	**-**	**-**
4.	Commission		1.13		1.13
	- as % of profit				
	- others, specify				
5.	**Others (Includes retirement benefits and variable pay)**				
	Total (A)	**0.40**	**3.42**	**2.25**	**6.08**
	Ceiling as per the Act				**24.96**

Amount is related to leave encashment as per the policy of the company.

*Figures less than ₹ 50000

B. Remuneration to other Directors:

1. Independent Directors

(₹ Crore)

Sr. No.	Particulars of Remuneration	Names of Director				Total Amount
		M. G. Parameswaran	S. Ravindranath	Subodh S. Nadkarni	Nandita Gurjar	
1.	Fee for attending Board / Committee Meetings	0.12	0.11	0.11	0.08	0.42
2.	Commission	0.10	0.12	0.10	0.10	0.42
3.	Other	0	0	0	0	0
	Total (1)	**0.22**	**0.23**	**0.21**	**0.18**	**0.84**

2. Other Non-Executive Directors

(₹ Crore)

Sr. No.	Particulars of Remuneration	Names of Director					Total Amount
		Nirmal Koshti	Vaijanath Kulkarni	Shashikant Shanbhag	Uday K. Kamat	G. Ramakrishnan	
1.	Fee for attending Board / Committee Meetings	0	0	0.04	0.04	0.08	0.16
2.	Commission	0	0	0.10	0.10	0.10	0.30
3.	Other	0	0	0	0.60	0.60	1.20
	Total (2)	**0**	**0**	**0.14**	**0.74**	**0.78**	**1.66**
	Total (B)=(1+2)						**2.50**
			Total Managerial Remuneration (A+B)				**8.58**
			Overall Ceiling as per the Act				**27.46**

C. Remuneration to Key Managerial Remuneration other than MD/WTD

2. Other Non-Executive Directors

(₹ Crore)

Sr. No.	Particulars of Remuneration	Niranjan Ketkar Company Secretary
1.	**Gross Salary**	
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0.23
(b)	Value of perquisites under Section 17(2) of Income Tax Act, 1961	-
(c)	Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	-
2.	**Stock Option**	-
3.	**Sweat Equity**	-
4.	**Commission**	-
	- as % of profit	-
	- others, specify	-
5.	**Others (Includes retirement benefits and variable pay)**	-
	Total	**0.23**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES (UNDER THE COMPANIES ACT): NONE

Particulars of Remuneration	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment			None		
Compounding					
B. Directors					
Penalty					
Punishment			None		
Compounding					
C. Other Officers in default					
Penalty			None		

For and on behalf of the Board

U. SHEKHAR
Managing Director
DIN: 00265017

K. NATARAJAN
Executive Director & COO
DIN: 07626680

Navi Mumbai
June 8, 2021

ANNEXURE -C

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

1. Brief outline on CSR Policy of the Company

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

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

2. Composition of CSR Committee:

Sr. No.	Name of the Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. U Shekhar	Chairman, Managing Director	1	1
2	Mr. M G Parameswaran	Member, Independent Director	1	1
3	Mr. K Ganesh Kamath	Member, Executive Director (Finance) & CFO	1	1

3.	**Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**	www.galaxysurfactants.com
4.	**Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).**	Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2020-21	Not Applicable	
	TOTAL		

6.	Average net profit of the Company as per section 135(5)	₹ 203 Crore

7.	(a)	Two percent of average net profit of the Company as per section 135(5)	₹ 4.07 Crore
	(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Not Applicable
	(c)	Amount required to be set off for the financial year,if any	Not Applicable
	(d)	Total CSR obligation for the financial year (7a+7b-7c)	₹ 4.07 Crore

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent in Financial Year (₹)	Amount Unspent (₹)				
	Total amount transferred to Unspent CSR Account as per section 135 (6)		Amount transferred to any fund specific under Schedule VII as per second provision to section 135 (5)		
	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
₹ 4.10	NIL	NA	NA	NIL	NA

8b. Details of CSR amount spent against Ongoing Projects for the Financial Year

1	2	3	4	5		6	7	8	9	10	11	
				Location of the Project							Mode of Implementation through Implementing Agency	
Sr. no.	CSR Project or Activity Identified	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/ No)	State	District	Project Duration	Amount allocated for the Project (s) in crores in ₹	Amount Spent in the current financial year	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implem-entation - Direct (Yes/ No)	Name	CSR Registration Number
1	Aarogya Vardheeni	(i) Sanitation (ii) Promoting Education	Yes	Maharashtra	Palghar	November 2020 to June 2021	0.05	0.05	Nil	Yes	NA	NA
2	Aarogya Vardheeni	(i) promoting health care including preventive health care	Yes	Gujarat	Bharuch	March 2021 to December 2023	0.05	0.05	Nil	Yes	NA	NA
3	Gyan Sanjeevani	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Maharashtra	Nanded	March 2021 to March 2022	0.50	0.50	Nil	No	Sanskriti Samvardhan Mandal	Applied For
4	Samajeek Utthaan	(iii) Empowering Women (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water (x) rural development projects	Yes	Maharashtra	Nanded	March 2021 to October 2023	0.15	0.15	Nil	No	Sanskriti Samvardhan Mandal	Applied For
5	Samajeek Utthaan	(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water (x) rural development projects	Yes	Maharashtra	Nashik	February 2021 to September 2021	0.20	0.20	Nil	No	Yuva Mitra	CSR00000080
6	Stree Unnati	(iii) empowering women, measures for reducing inequality faced by socially and economically backward groups	Yes	Maharashtra	Palghar	November 2020 to June 2021	0.02	0.02	Nil	No	Rescue Foundation	Applied For
Total for Ongoing Projects for F.Y. 2020-21							**0.97**	**0.97**				

8c. Details of CSR amount spent on OTHER than Ongoing Projects for the Financial Year

1	2	3	4	5		6	7	8	
				Location of the Project				Mode of Implementation through Implementing Agency	
Sr. no.	CSR Project or Activity Identified	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/ No)	State	District	Amount Spent in the current financial year Amount in rs. In crores	Mode of Implem-entation - Direct (Yes/ No)	Name	CSR Registration Number
1	Aarogya Vardheeni	(i) Promoting health care including preventive healthcare, Sanitation	Yes	(i) Maharashtra	(i) Palghar (ii) Raigad,	0.03	Yes	NA	NA
				(ii) Gujarat	(iii) Navsari				
2	Aarogya Vardheeni	(i) Eradicating hunger, poverty & malnutrition, promoting health care including preventive healthcare, sanitation, making available safe drinking water	Yes	(i) Maharashtra	(i) Raigad, (ii) Palghar, (iii) Thane	0.18	No	a) Deepsikha b) Kurulkar Shikshan Sanstha c) Managalam Foundation d) Navdhrusti Seva Sanstha e) PENS Sahayog Foundation f) Triumph Foundation	Applied For
			No	(ii) Chatissgarh	(iv) Bilaspur	0.40		g) Jan Swasthya Sahayog	Applied For
3	Gyan Sanjeevani	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	(i) Maharashtra	(i) Palghar (ii) Raigad	0.08	Yes	NA	NA
				(ii) Gujarat	(iii) Bharuch				
4	Gyan Sanjeevani	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	Yes	(i) Maharashtra	(i) Mumbai (ii) Nanded (iii) Palghar (iv) Raigad	0.05	No	a) PENS Sahyog Foundation b) Sanskriti Samvardhan Mandal c) Stree Mukti Sanghatana d) UDCT Alumni Association	Applied For
5	Samajeek Utthaan	(iii) facilities for senior citizens (x) rural development projects	Yes	(i) Maharashtra	i) Palghar ii) Raigad	0.03	Yes	NA	NA
				(ii) Gujarat	(i) Bharuch				
6	Samajeek Utthaan	(ii) the differently abled and livelihood enhancement projects (iii) facilities for senior citizens, (x) rural development projects	Yes	(i) Maharashtra	(i) Nanded (ii) Palghar (iii) Pen (iv) Raigad (v) Thane	0.46	No	a) Aai Day Care Sanstha b) Adhar c) Anand Vrudhashram d) DRZYA e) Sanskriti Samvardhan Mandal f) Shivshankar Shikshan Sanstha	Applied For
								g) Yuva Mitra	CSR00000080
				(ii) Tamil Nadu	(i) Tirunelveli	0.05	No	h) Amar Seva Sangam	Applied For
7	Stree Unnati	(iii) empowering women	Yes	(i) Maharashtra	i) Palghar	0.01	Yes	NA	NA
				(ii) Gujarat	(i) Bharuch				
8	Stree Unnati	(ii) promoting education, employement enhancing vocational skills for women (iii) empowering women, measures for reducing inequalities faced by socially and economically backward groups	Yes	(i) Maharashtra	(i) Raigad	0.23	No	a) Stree Mukti Sanghatana b) Save the Children India c) Yusuf Meherally d) Women India Trust	Applied For
9	Vatavaran Suraksha	(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	Yes	(i) Maharashtra	i) Raigad	0.08	Yes	NA	NA
				(ii) Gujarat	(i) Bharuch				

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8c. Details of CSR amount spent on Other than Ongoing Projects for the Financial Year (Contd.)

1	2	3	4	5		6	7	8	
				Location of the Project				Mode of Implementation through Implementing Agency	
Sr. no.	CSR Project or Activity Identified	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/ No)	State	District	Amount Spent in the current financial year Amount in rs. In crores	Mode of Implem-entation - Direct (Yes/ No)	Name	CSR Registration Number
10	Vatavaran Suraksha	(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	Yes	(i) Maharashtra	(i) Raigad	0.1	No	a) Hariyali b) Stree Mukti Sanghatana c) Yusuf Meherally d) Grow Trees e) Erode Goshala f) Sri Panduranga Charities g) Shri Amrutham Charitable Trust	Applied For
				(ii) Tamil Nadu	(i) Erode, (ii) Tanjore, (iii) Teruvallore	0.42	No		
11	Aapda Rahat	(xii) disaster management, including relief (COVID 19 relief work)	Yes	(i) Maharashtra	(i) Mumbai (ii) Raigad (iii) Thane (iv) Palghar	0.30	Yes	NA	NA
				(ii) Gujarat	(i) Bharuch				
				(ii) Tamil Nadu	(i) Chennai				
12	Aapda Rahat	(viii) contribution to prime minster's (PM CARES Fund) national relief fund	Yes	India		0.40	No	a) PM CARES	NA
		(xii) disaster management		(i) Maharashtra	(i) Mumbai (ii)Palghar	0.06		b) District Disaster Mitigation Fund Palghar c) CM Relief Fund	
		(xii) disaster management, including relief (COVID 19 relief work)		(ii) Maharastra	(i) Mumbai (ii) Nanded (iii) Nashik (iv) Raigad	0.05		d) Stree Mukti Sanghatana e) Vijay Krida Mandal	Applied For
								(f) Yuva Mitra	CSR00000080
Total for Other than Ongoing Projects for F.Y. 2020-21						**2.93**			

(d)	Amount spent in Administrative Overheads	₹ 0.19 Crore
(e)	Amount spent on Impact Assessment, if applicable	Not Applicable
(f)	Total amount spent for the Financial Year (8b+8c+8d+8e)	₹ 4.10 Crore

(g) Excess amount for set off, if any

Sr. No.	Particulars	Amount (₹ In Crores)
(i)	Two percent of average net profit of the company as per section 135(5)	4.07
(ii)	Total amount spent for the financial year	4.10
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.03
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil*

Note:

Excess amount spent during this year will not be set off in succeeding financial years.

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specific under schedule VII as per section 135 (6), if any			Amount remaining to be spent in succeeding in financial year (in ₹)
				Name of the fund	Amount (in ₹)	Date of Transfer	
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting financial Year (in ₹)	Cumulative amount spent at the end of reporting financial year (in ₹)	Status of the project
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details)

(a)	Date of creation or acquisition of the capital asset(s).	Not Applicable
(b)	Amount of CSR spent for creation or acquisition of capital - asset.	Not Applicable
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). -	Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – Not Applicable

For and on behalf of the Board

U. SHEKHAR
Chairman
DIN: 00265017

K GANESH KAMATH
Member
DIN: 07767220

Navi Mumbai
June 8, 2021

ANNEXURE D

NOMINATION AND REMUNERATION POLICY

1. INTRODUCTION

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

2. DEFINITIONS

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

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

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

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

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

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

"Key Managerial Personnel" means:

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

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

"Senior Management" means:

Officers /Personnel of the Company who are members of core management team excluding Board of Directors and comprising of all members of management one level below the chief executive officer/managing director/ whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

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

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

3. OBJECTIVES

The objective of the policy is to ensure that

a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, key managerial personnel and senior management of the quality required to run the company successfully;

b) relationship between remuneration and performance is clear and is based on appropriate performance benchmarks; and

c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

4. NOMINATION AND REMUNERATION COMMITTEE

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

5. ROLE OF THE COMMITTEE

The functional role of the committee is as follows:

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

b) formulation of criteria for evaluation of performance of independent directors and the Board of Directors;

c) devising a policy on board diversity;

d) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal and assist the Company in disclosing the remuneration policy and the evaluation criteria in its annual report;

e) deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

f) recommend to the board, all remuneration, in whatever form, payable to senior management; and

g) perform such other activities as may be delegated by the Board of Directors or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by SEBI Listing Regulations or by any other applicable law or regulatory authority.

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

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age limit fixed for retirement under the Company's policy. However, appointment or continuation of appointment of any person or extension of his term beyond the age of seventy years shall be subject to the provisions of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

A. Remuneration to Managing Director / Whole-time Directors

a) The Remuneration / Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

b) The remuneration shall be based on Company's performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters.

c) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

d) The approval of the Shareholders / Central Government shall be sought if required, for payment of remuneration to Managing / Whole-time Directors to comply with statutory provisions.

B. Remuneration to Non- Executive / Independent Directors

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

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

C. Remuneration to Key Managerial Personnel and Other employees:

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and variable pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

c) The variable pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

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

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

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

9. REMOVAL

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

10. RETIREMENT

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

ANNEXURE E

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto for FY 2020-21

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

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Sr. No.	**Name(s) of the related party and nature of relationship**	**Nature of contracts/ arrangements/ transactions**	**Duration of the contracts/ arrangements/ transactions**	**Salient terms of the contracts or arrangements or transactions including the value, if any**	**Justification for entering into such contracts or arrangements or transactions**	**date(s) of approval by the Board**	**Amount paid as advances, if any:**	**Date on which the special resolution was passed in general meeting as required under first proviso to section 188**
There are no contracts or arrangements or transactions entered during the year ended March 31, 2021, which were not at arm's length basis								

2. Details of material contracts or arrangement or transactions at arm's length basis

	(a)	(b)	(c)	(d)	(e)	(f)
Sr. No.	**Name(s) of the related party and nature of relationship**	**Nature of contracts/ arrangements/transactions**	**Duration of the contracts/ arrangements/ transaction**	**Salient terms of the contracts or arrange ments or transactions including the value, if any:**	**Date(s) of approval by the Board, if any:**	**Amount paid as advances, if any:**
1	Amit Ramakrishnan, son of Mr. G. Ramakrishanan*, Promoter and Director	Appointment of Mr. Amit Ramakrishnan as Technical Sales Executive and System Process Analyst in TRI-K Industries Inc,.wholly owned subsidiary	3 years from February 1, 2019	As per resolution no. 8 approved in the 32nd AGM of the Company	May 29, 2018	NIL
2	Mr. Vaijanath Kulkarni, Director	Continuation as Managing Director of Galaxy Chemicals (Egypt) SAE, wholly owned subsidiary	3 years from October 1, 2019	As per resolution no. 9 approved in the 33rd AGM of the Company	May 28, 2019	NIL
3	Dr. Nirmal Koshti, Director	Continuation of employment in TRI-K Industries Inc, wholly owned subsidiary	from October 1, 2019 till October 7, 2021	As per resolution no. 7 approved in the 33rd AGM of the Company	May 28, 2019	NIL
4	Ms. Renuka Koshti, daughter of Dr. Nirmal Koshti, Director	Appointment of Ms. Renuka Koshti as Senior Chemist in TRI-K Industries Inc, wholly owned subsidiary	3 years from October 1, 2019	As per resolution no. 8 approved in the 33rd AGM of the Company	May 28, 2019	NIL
5	Mr. G. Ramakrishnan, Promoter and Director	Appointment as strategic advisor of the Company	Upto two years from June 1, 2020	As per resolution no. 8 approved in the 34th AGM of the Company	June 25, 2020	NIL
6	Mr. Uday K. Kamat, Director	Appointment as strategic advisor of the Company	Upto two years from June 1, 2020	As per resolution no. 9 approved in the 34th AGM of the Company	June 25, 2020	NIL

* Proposal for his re-appointment has been made in the ensuing AGM.

For and on behalf of the Board

U. SHEKHAR
Managing Director
DIN: 00265017

K. NATARAJAN
Executive Director & COO
DIN: 07626680

Navi Mumbai
June 8, 2021

ANNEXURE F
FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

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

To,

The Members,

Galaxy Surfactants Limited

CIN: L39877MH1986PLC039877

C-49/2, TTC, Industrial Area, Pawne,

Navi Mumbai – 400703.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and 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 **31st March 2021,** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder ;

iii. The Depositories Act,1996 and the Regulations and Byelaws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of, Overseas Direct Investment and External Commercial Borrowings;- Not Applicable to the extent of Foreign Direct Investments as there was no reportable event ;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable as there was no reportable event during the period under review;**

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable as the Company has not issued any shares / options to directors / employees under the said Guidelines/ Regulations during the period under review;**

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable as the Company has not issued and listed debt securities;**

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 - **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent;**

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not applicable as the Company has not delisted / proposed to delist its equity shares from any Stock Exchange during the period under review;**

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable as the Company has not bought back/proposed to buy-back any of its securities during the period under review.**

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

vi. The Company has identified the following laws/rules as specifically applicable to the Company:

1. The Drugs and Cosmetics Act,1940;
2. The Arms Act,1959;
3. The Explosives Act, 1884;
4. The Narcotic Drugs and Psychotropic Substances Act,1985;
5. The Indian Boiler Act, 1923;
6. The Petroleum Act,1934;
7. The Static & Mobile Pressure Vessels (Unfired) Rules,2016;
8. The Legal Metrology Act, 2009;
9. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016.

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

(i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

(ii) Listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

We further report that: -

➢ The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, **Independent Directors including at least one Independent Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

➢ Adequate notice is given to all Directors of the schedule of the Board/Committee Meetings and agenda and detailed notes on agenda were sent at least seven days in advance. System exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

➢ All decisions of the Board and Committee meetings were carried with requisite majority.

**Mr. Shekhar Ravindranath Warrier, an Independent Director (ID) of the Company was unable to renew his registration as an Independent Director in the Independent Directors' Databank(Databank) maintained by Institute of Corporate Affairs (IICA) within stipulated period, due to which his registration has expired from the Databank with effect from 3rd February, 2021. We have been informed that the matter has been taken up with IICA and Ministry of Corporate Affairs and IICA has informed that MCA is expected to notify process for delayed renewal of registration shortly. Once the Director renews, the registration is expected to be restored from the date of expiry.

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

➢ As informed the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

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

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

For S. N. ANANTHASUBRAMANIAN & Co.
Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 606/2019

Aparna Gadgil
Partner
ACS: 14713 | COP No.: 8430
ICSI UDIN: A014713C000431131

June 8, 2021 | Thane

ANNEXURE – A

To,

The Members,

Galaxy Surfactants Limited

CIN: L39877MH1986PLC039877

C-49/2, TTC, Industrial Area, Pawne,

Navi Mumbai – 400703.

Our Secretarial Audit Report for the financial year ended **31st March 2021** of even date is to be read along with this letter.

Management's Responsibility

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

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. Due to the pandemic caused by Covid-19 and prevailing lockdowns/restrictions on movement of people imposed by the Government, for the purpose of issuing of this Report we have conducted our audit remotely based on the records and information made available to us by the Company, electronically.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Bank nor of the efficacy or effectiveness with which the management has conducted the affairs of the Bank.

7. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For S. N. ANANTHASUBRAMANIAN & Co.
Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 606/2019

Aparna Gadgil
Partner
ACS: 14713 | COP No.: 8430
ICSI UDIN: A014713C000431131

June 8, 2021 | Thane

ANNEXURE G

Particulars of Employees Pursuant to Section 197(12) of the Companies Act, 2013 Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

	Particular		
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;*	Mr. S. Ravindranath	5.36
		Mr. U. Shekhar	59.42
		Mr. K. Natarajan	59.42
		Mr. K. Ganesh Kamath	59.42
		Mr. G. Ramakrishnan	18.05
		Mr. Uday K. Kamat	17.18
		Dr. Nirmal Koshti	0.00
		Mr. Vaijanath Kulkarni	0.00
		Mr. Subodh Nadkarni	4.90
		Mr. M. G. Parameswaran	5.25
		Ms. Nandita Gurjar	4.21
		Mr. Shashikant Shanbhag	3.34
(ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year**;	Mr. U. Shekhar	7.82%
		Mr. K. Natarajan	7.82%
		Mr. K. Ganesh Kamath	7.82%
		Mr. Niranjan Ketkar, CS	7.30%
(iii)	The percentage increase in the median remuneration of employees in the financial year;		7.56%
(iv)	The number of permanent employees on the rolls of Company[$];		1370
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration[%];	Average percentile increase in salaries of employees other than managerial personnel	10.87%
		Percentile increase in salaries of managerial personnel^	7.82%
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration is as per the remuneration policy of the Company.	

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

**Given only for Executive Directors and Company Secretary

[$] As on March 31, 2021

^ Whole time Directors

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

For and on behalf of the Board

U. SHEKHAR
Managing Director
DIN: 00265017

K. NATARAJAN
Executive Director & COO
DIN: 07626680

Navi Mumbai
June 8, 2021

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

2. BOARD OF DIRECTORS

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

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

Composition of Board of Directors

As on March 31, 2021, the Board consisted of 12 (twelve) Directors, comprising 4 (four) Independent Directors (including one woman director), 3 (three) Executive Directors, 5 (five) Non-Executive Directors.

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

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

None of the Directors is a director in more than 10 public limited companies (as specified in section 165 of the Act) or acts as an Independent Director in more than 7 listed companies or 3 listed companies in case he/ she serves as whole-time director in any listed company (as specified in Regulation 17A of SEBI (LODR) Regulations). None of our Executive Directors are serving as an Independent Director in any other listed entity.

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

Mr. S. Ravindranath is the Chairman and Independent Director. Mr. Subodh Nadkarni, Mr. M. G. Parameswaran and Ms. Nandita Gurjar (Woman Director) are the other Independent Directors.

Mr. U. Shekhar is the Managing Director of the Company. Mr. K. Natarajan is the Executive Director and Chief Operating Officer and Mr. K. Ganesh Kamath is the Executive Director (Finance) & Chief Financial Officer.

Mr. G. Ramakrishnan, Mr. Vaijanath Kulkarni, Dr. Nirmal Koshti, Mr. Uday K. Kamat and Mr. Shashikant Shanbhag are Non-Executive and Non-Independent Directors.

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

During the financial year ended on March 31, 2021, 6 (Six) meetings of Board of Directors were held on June 25, 2020, August 11, 2020, November 11, 2020, February 08, 2021, March 22, 2021 and March 23, 2021. All the board and its committee meetings during the FY 2020-21 were held through Video Conferencing/ Other Audio Visual means (OAVM) pursuant to relaxations provided by the Government from time to time for the financial year 2020-21. 1 (one) meeting of Independent Directors was held on March 22, 2021.

Details of the directors and their attendance at the above mentioned Board meetings and last Annual General Meeting held on September 08, 2020 through VC/OAVM mode are given below:

Name	Category of Director Executive Director (ED), Non-Executive Director (NED), Independent Director (ID)	Total Board Meetings held during the year	No. of Board Meetings attended during the year	Attendance of last AGM held on September 08, 2020	No. of Directorships in other public limited companies	No. of committee* positions held in other public limited companies		Names of the listed entities where the person is a director and the category of directorship
						Chairman	Membership	
Mr. S. Ravindranath	NED and ID	6	6	Yes	NIL	NIL	NIL	NIL
Mr. U. Shekhar	Promoter/ ED	6	6	Yes	NIL	NIL	NIL	NIL
Mr. K. Ganesh Kamath	ED	6	6	Yes	NIL	NIL	NIL	NIL
Mr. K. Natarajan	ED	6	6	Yes	NIL	NIL	NIL	NIL
Mr. G. Ramakrishnan	Promoter/ NED	6	6	Yes	NIL	NIL	NIL	NIL
Dr. Nirmal Koshti	NED	6	6	Yes	NIL	NIL	NIL	NIL
Mr. Vaijanath Kulkarni	NED	6	6	Yes	NIL	NIL	NIL	NIL
Mr. Subodh Nadkarni	NED and ID	6	6	Yes	2	1	1	1) Grindwell Norton Ltd. ID) 2) Goa Carbon Ltd. (ID)
Mr. M. G. Parameswaran	NED and ID	6	6	Yes	2	NIL	1	FDC Ltd. (ID)
Ms. Nandita Gurjar	NED and ID	6	6	Yes	2	NIL	3	Birlasoft Ltd. (ID)
Mr. Uday K Kamat	NED	6	6	Yes	NIL	NIL	NIL	NIL
Mr. Shashikant Shanbhag	Promoter/ NED	6	6	Yes	NIL	NIL	NIL	NIL

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

Disclosure of relationships between Directors inter-se

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

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

The details of equity shares of the Company held by non-executive directors as on March 31, 2021 are as under:

Name of Director	Category of Director	No. of equity shares held
Mr. G. Ramakrishnan[$#]	Promoter, Non-Executive	23,62,783
Mr. S. Ravindranath	Independent	30,000
Mr. Subodh Nadkarni	Independent	30,000
Mr. M. G. Parameswaran	Independent	30,000
Ms. Nandita Gurjar	Independent	Nil
Mr. Vaijanath Kulkarni	Non-Executive	26,000
Dr. Nirmal Koshti	Non-Executive	15,856
Mr. Uday K. Kamat	Non-Executive	33,000
Mr. Shashikant Shanbhag[$#]	Promoter, Non-Executive	40,97,684

[#]Mr. Shashikant Shanbhag and Mr. G. Ramakrishnan, Promoter and Non-Executive Directors along with Mr. U. Shekhar, Managing Director and legal heirs of Late Ms. Sandhya Patil (wife of Promoter, late Mr. Sudhir Patil) are partners in the partnership firm namely M/s Galaxy Chemicals. The said partnership firm is holding 77,52,850 equity shares of the Company.

(The shares held by Late Mrs. Sandhya Patil are in the process of transmission to her legal heirs.)

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

Familiarisation programmes imparted to Independent Directors

A policy on familiarisation of independent directors is formed and is available under the investor section on the Company's website www.galaxysurfactants.com.

Details of familiarisation programme imparted to Independent Directors has also been uploaded under the investor section on the Company's website www.galaxysurfactants.com.

Skills & Competencies

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

1. Knowledge of Company's business and the industry in which the Company operates.
2. Finance, management and administration skills.
3. Technical / Professional knowledge in functional areas like Finance/ HR / Legal / Manufacturing / Marketing / Innovation / Project management etc.

Competencies which enable taking business decisions and exercising prudent judgement on business matters like strategic thinking, business acumen, managing risk, networking, powerful questioning, conflict management etc.

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

Skills / Expertise / Competencies	S. Ravindranath	Subodh Nadkarni	M G Parameswaran	Nandita Gurjar	U. Shekhar	K. Ganesh Kamath	K. Natarajan	Vaijanath Kulkarni	Dr. Nirmal Koshti	G Ramakrishnan	Shashikant Shanbhag	Uday Kamat
Knowledge of Company's business and the industry and the industry in which the Company operates.	√	√	√	√	√	√	√	√	√	√	√	√
Management and Administration Skills	√	√	√	√	√	√	√	√	√	√	√	√
Finance	√	√				√	√			√	√	√
Sales & Marketing	√	√	√		√		√	√	√	√	√	
Information Technology & System				√			√					√
HRM	√	√	√	√	√			√		√	√	
Manufacturing	√				√			√				
Legal & Secretarial		√				√				√		√
Innovation					√			√	√	√	√	
Project Management	√	√			√			√				
Competencies which enable taking business decisions and exercising prudent judgement on business matters	√	√	√	√	√	√	√	√	√	√	√	√

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

None of the Independent Directors resigned before the expiry of their tenures. Mr. S Ravindranath, Mr. Subodh Nadkarni and Mr. M G Parameswaran who completed their first term at the 33rd AGM and Ms. Nandita Gurjar who completed her first term at the 34th AGM were re-appointed as Independent Directors for their second term by members by passing special resolution at the 33rd and 34th AGM respectively.

3. AUDIT COMMITTEE

The Company has complied with the provisions of section 177 of the Act and Regulation 18(1) of SEBI (LODR) Regulations applicable to composition of Audit Committee. The Audit Committee has 4 (four) members i.e. Mr. Subodh Nadkarni (Chairman), Mr. M. G. Parameswaran, Mr. S. Ravindranath and Mr. G. Ramakrishnan. All the members of the Audit Committee are financially literate as per the requirement of the Regulations.

During the financial year ended March 31, 2021, 4 (four) meetings of the Audit Committee were held on June 25, 2020, August 11, 2020, November 11, 2020 and February 08, 2021 .

Attendance at Audit Committee Meetings:

Name of the Members	No. of Meetings attended
Mr. Subodh Nadkarni (Chairman)	4
Mr. M. G. Parameswaran	4
Mr. S. Ravindranath	4
Mr. G. Ramakrishnan	4

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

1. oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. reviewing the financial statements with respect to its subsidiaries, in particular investments made by the unlisted subsidiaries;
4. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
5. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board of Directors for approval, with particular reference to:
   a. matters required to be included in the Directors Responsibility Statement to be included in the Board of Director's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
   b. changes, if any, in accounting policies and practices and reasons for the same;
   c. major accounting entries involving estimates based on the exercise of judgement by management;
   d. significant adjustments made in the financial statements arising out of audit findings;
   e. compliance with listing and other legal requirements relating to financial statements;
   f. disclosure of any related party transactions; and
   g. modified opinion(s) in the draft audit report.
6. reviewing, with the management, the quarterly financial statements before submission to the Board of Directors for approval;
7. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board of Directors to take up steps in this matter;
8. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
9. approval of any subsequent modification of transactions of the company with related parties;
10. scrutiny of inter-corporate loans, investments and guarantees;
11. valuation of undertakings or assets of the company, wherever it is necessary;
12. evaluation of internal financial controls and risk management systems;
13. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. discussion with internal auditors of any significant findings and follow up there on;
16. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors;
17. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. reviewing the functioning of the whistle blower mechanism;
20. overseeing the vigil mechanism established by the Company, with the chairman;
21. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
22. review of utilization of loans and/or advances from/ investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments;
23. review of compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively; and

24. carrying out any other function as is mentioned in the terms of the Audit Committee.

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

The Chairman of the Audit Committee Mr. Subodh Nadkarni was present at the last Annual General Meeting of the Company held on September 08, 2020 to answer queries of the shareholders.

4. NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company has constituted Nomination and Remuneration Committee ("NRC") in terms of Regulation 19(1) of SEBI (LODR) Regulations. The Committee comprises of 4 (four) Independent Directors i.e. Mr. M. G. Parameswaran (Chairman), Mr. S. Ravindranath, Mr. Subodh Nadkarni and Ms. Nandita Gurjar. The Committee meets the criteria as laid down under the Act and SEBI (LODR) Regulations.

During the financial year ended March 31, 2021, 4 (four) meetings of the NRC were held on June 24, 2020, August 11, 2020, November 11, 2020 and March 22, 2021.

Attendance at NRC meetings

Name of the Members	No. of Meetings attended
Mr. M. G. Parameswaran (Chairman)	4
Mr. Subodh Nadkarni	4
Mr. S. Ravindranath	4
Ms. Nandita Gurjar	4

The terms of reference of the NRC are as under:

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

2. formulation of criteria for evaluation of Independent Directors and the Board of Directors;

3. devising a policy on board diversity;

4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal and assist the Company in disclosing the remuneration policy and the evaluation criteria in its annual report;

5. deciding whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

6. recommend to the Board, all remuneration in whatever form, payable to senior management; and

7. perform such other activities as may be delegated by the Board of Directors or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by SEBI Listing Regulations or by any other applicable law or regulatory authority.

Mr. M. G. Parameswaran, Chairman of the Committee was present at the last Annual General Meeting held on September 08, 2020 to answer queries of the Shareholders.

Performance evaluation criteria for Independent Directors

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

5. REMUNERATION OF DIRECTORS

Remuneration to Executive Directors for the financial year 2020-21

(₹ Crore)

Name of Director	Salary	Commission	Perquisites	Total
U. Shekhar#	0.40	-	0.00*	0.41
K. Natarajan%	2.20	-	0.05	2.25
K. Ganesh Kamath	2.24	1.13	0.05	3.42

Mr. U. Shekhar, Promoter and Managing Director of the Company has decided to forgo the contractual emoluments payable for his services during the year 2020-21.

% Mr. K. Natarajan, Executive Director and COO has also decided to forgo the commission payable for the year 2020-21

* Figures are less than ₹ 50,000/-

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

Sitting fees and commission paid to Non-Executive Directors for the financial year 2020-21

(₹ Crore)

Name of Non-Executive Director	Sitting Fees	Commission	Others	Total
Mr. S. Ravindranath	0.11	0.12		0.23
Mr. Subodh Nadkarni	0.11	0.10		0.21
Mr. M. G. Parameswaran	0.12	0.10		0.22
Ms. Nandita Gurjar	0.08	0.10		0.18
Mr. G. Ramakrishnan*	0.08	0.10	0.60	0.78
Mr. Uday K. Kamat*	0.04	0.10	0.60	0.74
Mr. Shashikant Shanbhag	0.04	0.10		0.14

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

*Mr. G Ramakrishnan and Mr. Uday K Kamat have been re-appointed as a Strategic Advisors to the Company w.e.f. June 1, 2020 pursuant to approval of the members in 34th AGM held on September 08, 2020 and have been paid fees during the financial year 2020-21 which are shown in "Others" column above.

Dr. Nirmal Koshti and Mr. Vaijanath Kulkarni, non-executive directors of the Company did not receive any sitting fees and commission from the Company during the current financial year 2020-21 as they are holding executive position in the subsidiary companies.

Criteria for making payments to non-executive directors is available on the Company's website www.galaxysurfactants.com.

The Company has not granted any stock option to any of its non-executive directors.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has formed a Stakeholders' Relationship Committee ("SRC") in compliance with the Regulation 20 of the SEBI (LODR) Regulations and Section 178 of the Act. The Committee comprises of 3 (three) directors i.e. Mr. M. G. Parameswaran (Chairman), Mr. G. Ramakrishnan and Mr. K. Ganesh Kamath.

During the financial year ended March 31, 2021, 1 (one) meeting of SRC was held on June 24, 2020.

Attendance at SRC Meetings

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

The terms of reference to SRC are as under:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new duplicate certificates, general meetings etc.;

2. Review of measures taken for effective exercise of voting rights by shareholders;

3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and

4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

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

Particulars of Complaints	Complaints Nos.
Complaints as on April 1, 2020	Nil
Complaints received during the FY 2020-21	2
Complaints disposed during the FY 2020-21	2
Complaints remaining unsolved as on March 31, 2021	Nil
Complaints not solved to the satisfaction of shareholder	Nil

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

Mr. M. G. Parameswaran, Chairman of the Committee was present at the last Annual General Meeting held on September 08, 2020 to answer queries of the Shareholders.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has formed a Corporate Social Responsibility Committee ("CSRC") under section 135 of the Act. The Committee comprises of 3 (three) directors viz. Mr. U. Shekhar,(Chairman), Mr. M. G. Parameswaran and Mr. K. Ganesh Kamath.

During the financial year ended March 31, 2021, 1 (one) meeting of CSRC was held on June 24, 2020.

Attendance at CSRC Meeting

Name of Director	No. of Meetings attended
Mr. U. Shekhar (Chairman)	1
Mr. M. G. Parameswaran	1
Mr. K. Ganesh Kamath	1

The terms of reference of CSRC are as under:

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

8. RISK MANAGEMENT COMMITTEE

The Company has formed a Risk Management Committee ("RMC") as per the Regulation 21 of the SEBI (LODR) Regulations. The Committee comprises of 5 (Five) members i.e. Mr. Vaijanath Kulkarni, Chairman & Chief Risk Officer, Mr. K. Ganesh Kamath, Mr. K. Natarajan, Mr. Garikiparthy Sesha Samba Murthy and Mr. Abhijit Damle.

During the financial year ended March 31, 2021, 2 (two) meetings of RMC were held on September 14, 2020 and March 04, 2021.

Attendance at RMC Meetings

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

The terms of reference of RMC are as under:

1. laying down risk assessment and minimization procedures and the procedures to inform Board on the same;
2. framing, implementing, reviewing and monitoring the Risk Management Policy for the Company and strengthening of the risk management systems;
3. monitoring and reviewing from time to time the approved risk management plan and also to review and consider any other matter that may be delegated to it by the Board from time to time;
4. working with head / in-charge of the respective department / function to ensure that the risk management processes are implemented in accordance with agreed risk management policy and strategy;
5. allocating adequate resources to mitigate and manage risk and minimise their adverse impact on outcomes;
6. provide advice and tools to staff, management and Board on risk management issues within the organisation, including facilitating workshops in risk identification;
7. oversee and update organisational-wide risk profiles, with input from head / in-charge of the respective department / function;
8. monitor and review the functioning of cyber security of the Company;
9. performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee.

9. GENERAL BODY MEETINGS

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

Meeting	Day, Date	Time	Venue
32nd AGM	Thursday, August 09, 2018	3.00 p.m.	CIDCO Convention Center Auditorium, Swami Pranabananda Marg, Sector 30-A, Gate - Opp. Joyalukkas Jewellers, Vashi, Navi Mumbai 400703
33rd AGM	Tuesday, August 13, 2019	3.00 p.m.	CIDCO Convention Center Auditorium, Swami Pranabananda Marg, Sector 30-A, Gate - Opp. Joyalukkas Jewellers, Vashi, Navi Mumbai 400703

Meeting	Day, Date	Time	Venue
34th AGM	Tuesday, September 08, 2020	3.00 p.m.	Meeting was conducted through video conferencing / other audio visual means

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

Date of AGM	Details of Special Resolution
32nd AGM	• NIL
33rd AGM	• To approve re-appointment of Mr. S. Ravindranath (DIN: 00011680) as an Independent Director for second term
	• To approve re-appointment of Mr. Subodh Nadkarni (DIN: 00145999) as an Independent Director for second term
	• To approve re-appointment of Mr. M.G. Parameswaran (DIN: 00792123) as an Independent Director for second term
34th AGM	• To approve re-appointment of Ms. Nandita Gurjar (DIN: 01318683) as an Independent Director for second term

(c) During the year under review, the Company has not passed any special resolution through postal ballot.

10. MEANS OF COMMUNICATION

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

Presentations made for institutional investors as well as transcripts of the conference calls which are arranged by the Company are uploaded on the website- www.galaxysurfactants.com.

The Company's website www.galaxysurfactants.com has a separate section for investors where shareholders information is available.

The Company also has a separate email id viz. investorservices@galaxysurfactants.com, for investor grievances.

11. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting

35th Annual General Meeting will be held on Wednesday, September 8, 2021 through Video conferencing or OAVM at 3:00 p.m.

b) Financial Year

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

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

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

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

Annual Listing Fees for the year 2021-22 have been paid to stock exchanges.

d) Stock Code

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

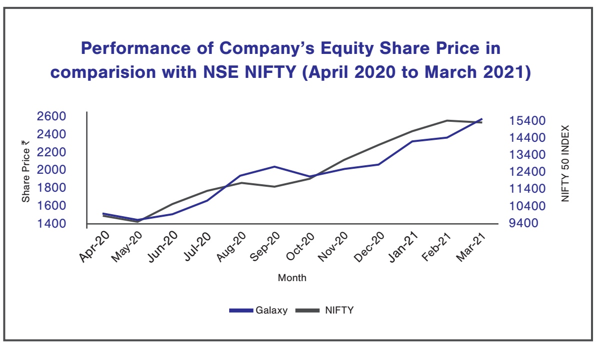
e) Market price data- high, low during each month in last financial year-

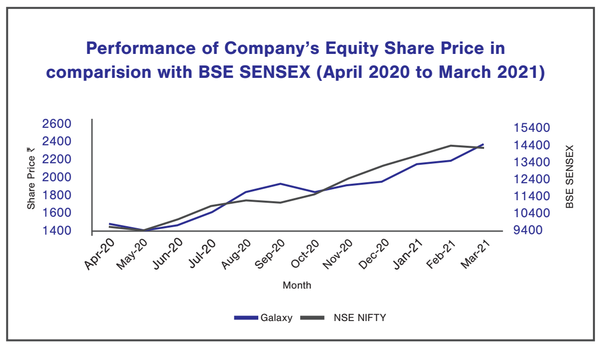
Month Wise Stock Market Data

National Stock Exchange of India Limited				BSE Limited			
Month	High Price (₹)	Low Price (₹)	Volume (Nos.) (in lakhs)	Month	High Price (₹)	Low Price (₹)	Volume (Nos.) (in lakhs)
Apr-20	1504.95	1095.70	6.00	Apr-20	1498.00	1100.00	0.27
May-20	1435.00	1251.55	2.79	May-20	1426.80	1253.10	0.12
Jun-20	1510.00	1286.10	3.55	Jun-20	1502.00	1201.00	0.24
Jul-20	1665.00	1480.10	5.93	Jul-20	1665.00	1485.00	0.57
Aug-20	1949.50	1601.00	13.71	Aug-20	1944.40	1606.15	1.26
Sep-20	2039.85	1684.85	6.12	Sep-20	2035.85	1666.00	0.73
Oct-20	1932.00	1606.55	4.45	Oct-20	1934.00	1605.00	0.22
Nov-20	2012.00	1600.00	7.61	Nov-20	2013.70	1611.00	0.72
Dec-20	2067.95	1810.00	11.93	Dec-20	2065.00	1808.55	0.66
Jan-21	2320.00	2000.00	7.96	Jan-21	2309.95	1997.05	0.89
Feb-21	2380.90	2028.55	4.66	Feb-21	2367.15	2030.00	0.45
Mar-21	2572.00	2210.00	6.02	Mar-21	2576.00	2205.00	0.43

Source: NSE and BSE Websites

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





g) Details of unpaid dividend

Year of the Declaration	Date of declaration of dividend	Date of transfer to IEPF	Amount (In ₹)
Fin Div 13-14	19-09-2014	24-11-2021	5,04,600
Fin Div 14-15	28-09-2015	03-12-2022	5,93,800
Int Div 15-16	04-06-2016	09-08-2023	7,06,000
Spl Div 15-16	26-09-2016	01-12-2023	2,04,800
Int Div 16-17	04-03-2017	09-05-2024	7,64,385
Fin Div 16-17	17-08-2017	22-10-2024	5,59,185
Fin Div 17-18	09-08-2018	14-10-2025	11,24,403
Int Div 18-19	29-03-2019	02-06-2026	7,69,610
Fin Div 18-19	13-08-2019	18-10-2026	4,18,665
Int Div 19-20 includes one time Spl Div	16-03-2020	21-05-2027	14,74,900
Int Div 20-21	08-02-2021	15-04-2028	14,93,488

h) Share Transfer Agents

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

i) Share transfer system

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

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

The Company files certificates pertaining to maintenance of share transfer agency Regulation 7(3), statement of pending complaints Regulation 13(2) under SEBI (LODR) Regulations with stock exchanges and the same is uploaded on the website of the Company i.e. www.galaxysurfactants.com.

j) Distribution of shareholding

Shareholding Pattern as on March 31, 2021

Sr. No.	Category of Shareholder	Total number of shares	% of holding
1.	Promoter and Promoter Group	2,51,48,117	70.93
2.	Public Shareholding	1,03,06,635	29.07
	Total	**3,54,54,752**	**100.00**

Distribution of Shareholding (Shares)

Sr. No.	Range of Shareholding			Shareholder (Folios)	Percentage of Total	Total Shares	Percentage of total
1	1	to	500	41123	97.94	974995	2.75
2	501	to	1000	299	0.71	224427	0.63
3	1001	to	2000	184	0.44	278185	0.78
4	2001	to	3000	151	0.36	421645	1.19
5	3001	to	4000	35	0.08	123158	0.35
6	4001	to	5000	26	0.06	119740	0.34
7	5001	to	10000	82	0.20	566957	1.60
8	10001		and above	88	0.21	32745645	92.36
Total				**41,988**	**100**	**3,54,54,752**	**100**

k) Dematerialization of shares and liquidity

Status of dematerialisation of shares and liquidity as on March 31, 2021 is as under

Mode of holding	No. of shares	% of total shareholding
Dematerialised	3,48,99,810	98.43
Physical	5,54,942	1.57
Total	**3,54,54,752**	**100.00**

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

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

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

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

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

n) Plant locations

1) Plot No. V-23, M.I.D.C. Taloja, Panvel, Dist. Raigad, Pin - 410 208.

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

3) Plot No. 892, Jhagadia Industrial Estate, Taluka-Jhagadia via Ankleshwar, Dist. Bharuch, Gujarat Pin-393 110 (100% EOU).

4) Plot Nos. N-46/1 & 2, W-67 (B), G-59, M-3, M.I.D.C. Tarapur, Post Boisar - 401 506.

o) Address for correspondence

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

p) Credit rating

During the year the longterm credit rating was revised from CRISIL has revised and upgraded the Company's long term credit rating from CRISIL A+/Positive to CRISIL AA-/Stable and the short term credit rating from CRISIL A1 to CRISIL A1+. The Company has not issued any debt instruments or fixed deposit during the year.

12. OTHER DISCLOSURES

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

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

(c) The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adapting highest standards of professionalism and ethical behaviour. The Company is committed to developing a culture where it is safe for all directors/ employees to raise concerns about any poor or unacceptable practice and any event of misconduct. Accordingly, the Company has a Whistle Blower Policy in place under which Director/ employee are free to raise concern. No person has been denied access to the Audit Committee.

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

The Company has complied with all mandatory requirements of Regulation 34 of SEBI (LODR) Regulations.

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

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

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

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

(i) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part are ₹ 1.71 Cr.

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

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

(k) The Company has formulated Code of Conduct (Insider Trading) to Regulate, Monitor and Report Trading by Insider based on the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code formulated by the Company is uploaded on the website of the Company at https://www.galaxysurfactants.com/investor-relations/corporate-governance.aspx

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

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

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

Declaration – Code of Conduct

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

All the members of the Board and the Senior Management Personnel of the Company have for the year ended March 31, 2021, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Galaxy Surfactants Limited

Navi Mumbai

June 8, 2021

U. Shekhar

Managing Director

(DIN: 00265017)

CEO/ CFO Certificate

The Board of Directors

Galaxy Surfactants Limited

Navi Mumbai

Dear Sirs/ Madam,

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

A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operations of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee

(1) significant changes in the internal control over financial reporting during the year;

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board

U. SHEKHAR
Managing Director
DIN: 00265017

K. NATARAJAN
Executive Director & COO
DIN: 07626680

Navi Mumbai
June 8, 2021

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Galaxy Surfactants Limited

1. This certificate is issued in accordance with the terms of our engagement letter reference no.KR/20-21/001 dated July 30, 2020.

2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Galaxy Surfactants Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

MANAGEMENTS' RESPONSIBILITY

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

AUDITOR'S RESPONSIBILITY

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2021.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Kedar Raje
(Partner)
(Membership No. 102637)
(UDIN: 21102637AAAACI8572)

Place: Pune
Date: June 8, 2021

Business Responsibility Report for Financial Year 2020-21

OVERVIEW

Galaxy endeavors being the frontrunner for sustainable growth, create positive impact, and reduce environmental footprint while promoting inclusive growth. Galaxy's Motto, Mission, Vision serves as the guiding pillars towards our responsible business growth and conduct of business. The fundamental aspect of Galaxy's culture is imbibing its values and driving to remain committed to stakeholders. At Galaxy, sustainability is a way of life. It is a process of continual improvement that results in sustaining the business by being a competitive and reliable partner, while being environmentally and socially responsible. Galaxy has completed a decade journey of Sustainability. The Financial Year 2020-21 marks 10 years of Sustainability Journey and final year for Galaxy's Sustainability Goals 2020. With a clear roadmap in mind, focus and vision, Galaxy is determined towards making a positive impact and further difference to the society in the coming years.

This is Galaxy's 3rd Business Responsibility Report in line with Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In line with SEBI's proposed structure for the Business Responsibility Report and the nine principles of the Government of India's 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business', this report delineates the Galaxy's efforts to conduct Business with responsibility. The Business Responsibility Report is a summary of Galaxy's sustainability initiatives and more detailed performance is published separately in Sustainability Report.

Galaxy continues to publish its Sustainability Report, in conformity to the Global Reporting Initiative (GRI) standards. Galaxy's earlier sustainability reports, including the 9th Sustainability Report for FY 2019-20 are available at the website[1]

GENERAL INFORMATION

1	Corporate Identity Number (CIN) of the Company	L39877MH1986PLC039877	
2	Name of the Company	Galaxy Surfactants Limited	
3	Year of incorporation	20-05-1986	
4	Registered Office Address	C-49/2, TTC Industrial Area, Pawne, Navi Mumbai, Maharashtra – 400703	
5	Corporate address:	C-49/2, TTC Industrial Area, Pawne, Navi Mumbai, Maharashtra – 400703	
6	Website	www.galaxysurfactants.com	
7	Email	investorservices@galaxysurfactants.com	
8	Telephone	+91-22-2761 6666	
9	Financial Year of Reported	2020-21	
10	Whether shares listed on recognized Stock Exchange(s):	Yes	
11	Authorised Capital	₹ 500,000,000	
12	Paid-up Capital	₹ 354,547,520	
13	Sectors that the Company is engaged in (Industrial Activity Code wise)	Chemicals	
		NIC Code	Product Description
		20233	Manufacture of detergent and similar washing agents excluding soaps
		20119	Manufacture of organic and inorganic chemical compounds n.e.c.
		As per National Industrial Classification for India (NIC)	
14	List three key products that Company manufactures/ provides	Performance Surfactants	
		Specialty Care Products	
15	Total number of locations where business activity is undertaken by the Company		
	i) International Locations	Manufacturing units (Subsidiaries) 1) Suez, Egypt 2) New Hampshire, USA	
	ii) National Locations	Manufacturing units in India (A) 3 sites in Tarapur, Maharashtra (B) 1 site in Taloja Maharashtra, and (C) 1 site in Jhagadia, Gujarat	
16	Markets served by the Company – Local/State/National/International/	All, we serve across the continents, covering 80+ countries.	

[1] Sustainability Report - Galaxy Surfactants

FINANCIAL DETAILS

1	Paid up capital (INR)	354547520
2	Total turnover (INR)	1,830.50
3	Total profit after taxes (INR)	177.86
4	Total spending on corporate social responsibility (CSR) as % of average profit for last 3 financial years	Total Expenditure reported is ₹ 4.10 crore equivalent to 2% of average profit for the last 3 financial years. For the detailed financial summary project wise, refer – of Annexure C of Board Report
5	Activities under which expenditure in 4 above has been incurred include	The CSR initiatives are implemented through following projects: a) Aarogya Vardheeni – Healthcare & Preventive Healthcare b) Gyan Sanjeevani – Education c) Samajeek Utthaan – Rural Development d) Stree Unnati – Women Empowerment e) Vatavaran Suraksha – Environment Protection and f) Aapda Rahat – Calamity Relief

OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	As on 31st March 2020, Galaxy has 5 wholly owned subsidiaries.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Galaxy encourages its Subsidiary Companies to participate in BR initiatives.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with / participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities (less than 30%, 30-60%, more than 60%).	As part of Sustainability Policy, Galaxy is committed to integrate sustainability considerations into value chain by engaging with and creating awareness among stakeholders including suppliers. Currently, more than 60% of supplies (by value) are from suppliers who participate in the sustainability initiatives.

BUSINESS RESPONSIBILITY FRAMEWORK

BR INFORMATION

1. Details of Director/Directors responsible for BR

Name	Designation	DIN	Telephone No.	Email ID
U. Shekhar	Managing Director	00265017	+91-22-27616666	sustainability@galaxysurfactants.com

BR Head

Name	Designation	DIN	Telephone No.	Email ID
K. Ganesh Kamath	Executive Director (Finance) & CFO	07767220	+91-22-27616666	sustainability@galaxysurfactants.com

2. Principle-wise (as per NVGs) BR Policy/policies

(a) **Details of compliance to BR Policies**

Sr No	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Availability of Policy	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Policy formulated in consultation with relevant stakeholders? Refer Note 1	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Conformity of policy to any national / international standards?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Policy approved by the Board#	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Policy signed by MD / owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Specified committee of the Board / Director / Official appointed to oversee the implementation of the policy#	Y	Y	Y	Y	Y	Y	Y	Y	Y

Sr No	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
6	Indicate the link for the policy to be viewed online?	Y **	Y *	Y **	Y *	Y *	Y *	Y **	Y *	Y *
7	Policy communicated to all relevant internal and external stakeholders	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Existence of an in-house structure within the Company to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Availability of a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Assessment by an internal/external agency of the working of this policy	Y	Y	Y	Y	Y	Y	Y	Y	Y

Y – Yes; N – No; NA - Not Applicable

Few Policies are adopted under the authority given by the Board; ** Policies are accessible only to employees; *Policies available on the Company's website – https://www.galaxysurfactants.com/about/our-policies.aspx; Group Sustainability, A Way of Life - Galaxy Surfactants

Note: While there may not be a formal consultation with all stakeholders, the relevant policies have evolved over a period of time by taking inputs from concerned internal stakeholders.

All nine principles as articulated in India's 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' are covered by policies of Galaxy as outlined in the following table:

NVG Principle	Applicable policies
P1 - Conduct and govern themselves with Ethics, Transparency and Accountability	Code of Conduct (CoC) for Board and senior managers, CoC for employees, Whistle Blower Policy
P2 - Provide goods and services that are safe and contribute to sustainability throughout their life cycle	Sustainability Policy, Quality Policy, SHE Policy, Corporate Social Responsibility Policy, Sourcing Policy, GMP Policy, Energy Policy
P3 - Promote the well-being of all employees	SHE Policy, Human Rights Policy, Sexual Harassment at Workplace Policy, People Energy Policy
P4 - Respect the interests of, and be responsive towards all stakeholders, specially disadvantaged, vulnerable and marginalized	CoC, Sourcing Policy, Corporate Social Responsibility Policy
P5 - Respect and promote human rights	CoC, Human Rights Policy
P6 - Respect, protect, and make efforts to restore the environment	CoC, Sustainability Policy, SHE Policy, Quality Policy, Sourcing Policy, Energy Policy
P7 - Influencing public and regulatory policy in a responsible manner	CoC
P8 - Support inclusive growth and equitable development	Corporate Social Responsibility Policy
P9 - Engage with and provide value to their customers and consumers in a responsible manner	CoC, Quality Policy, SHE Policy, GMP Policy, Business Creation Policy

3) GOVERNANCE RELATED TO BR

BR Performance review

The Managing Director and Senior Leadership Team review the BR performance periodically as part of the overall Management Review process. The Board level CSR Committee (formed under section 135 of the Companies Act, 2013) reviews performance of Corporate Social Responsibility programmes and initiatives. The Sustainability Cell is a three-tier structure with Steering Committee at the Apex comprising of members of the Board of Directors. Members of Sustainability Cell meet thrice in a year to assess and review the sustainability and BR performance.

BR communication/ Sustainability Report

Galaxy has published nine sustainability reports so far (9th being for 2019-20). These reports are available on Global Reporting Initiative (GRI) database[1] and the Company website[1].

[1]https://database.globalreporting.org/organizations/16238/

PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

Galaxy believes in conducting its business in a fair and transparent manner. Integrity is one of the core values at Galaxy and the values are widely communicated to all relevant stakeholders. Galaxy has laid down a Code of Conduct (CoC), applicable to all employees, with the objective of establishing and upholding high ethical conduct with utmost transparency, and accountability. Galaxy is committed to developing a culture where it is safe for all directors/ employees to raise concerns about any poor or unacceptable practice and any event of misconduct. Accordingly, Galaxy has a Whistle Blower Policy in place under which Director/ employee are free to raise concern. Galaxy has formulated Code of Conduct (Insider Trading) to regulate, monitor and report trading by Designated Persons and their Immediate Relatives based on the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

Also, Galaxy's Directors and Senior Management are required to abide by a CoC adopted as per Companies Act, 2013 and SEBI Listing Regulations, 2015.

Galaxy's commitment towards doing business responsibly is built upon its CoC and is complemented by -

- Robust governance structure
- Well-structured internal control systems for regular assessment of effectiveness of CoC and its adherence.

Galaxy has formulated a separate Supplier Code of Conduct, which is communicated and endorsed by several suppliers.

Meetings/Dialogue with shareholders

No separate meeting with minority shareholders was organised during the year. However, in AGM, shareholders are updated on sustainability performance undertaken by Galaxy during financial year and after approval of quarterly results, a conference call is arranged for investors/ analysts. Any shareholder can participate in such call as the information of such call is available on website the Company as well as stock exchanges.

Stakeholder Complaints

Galaxy has an Internal Committee (IC) to redress complaints received with respect to sexual harassment. During the year, one complaint of sexual harassment was received which was resolved promptly. Under the Whistle Blower Policy, no complaint was received in the year 2020-21. There were no non-disputed fines/penalties imposed on your business by regulatory and judicial institutions, and no complaints / cases of corruption and conflicts of interest registered during the year.

[2]https://database.globalreporting.org/organizations/16238/

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFECYCLE

Galaxy is committed to develop safe, sustainable & eco-friendly products, processes, technologies, and services and to adopt Life Cycle thinking to contribute towards product stewardship. Sustainability is an integral part of product design. Galaxy is developing new products by giving highest priority to safety and health impact. Galaxy ensures that all product labelling requirements are fully met as per various markets' requirements, as well as physical and chemical properties are communicated to the customers.

Sustainable Products Galaxy believes that its goals reflect determination towards a more sustainable future. One of the Sustainability Goals 2020 is to conduct Life Cycle Assessment (LCA) of 40 products. Galaxy assesses majority of its product range for their total environment impacts, moving beyond basics like energy and water intensity of products. This approach provides Galaxy with a framework for ascertaining the relative sustainability of products, identifying opportunities for environment impact mitigation, and promoting greener products. Galaxy carried out Life Cycle Assessment based on ISO 14040/14044 as a part of assessing total impact of product through its lifecycle and completed LCA for 40 identified products. This enabled Galaxy to determine their environment impacts and opportunities for improvement in the same.

- Non-toxic preservatives: Galaxy developed efficient and eco-friendly antimicrobial preservative systems for personal care products to overcome serious toxicity issues of the conventional, chlorinated or formaldehyde based antimicrobials. Galaxy not only proposed the use of combination of gentle antimicrobials but also addressed the large scale manufacturing by the patented GREEN process to make it commercially available. These preservatives systems are bio-degradable at the end of their life cycle get degraded in the environment into safer molecules. Galaxy manufactures the ingredients - capryloyl glycine, undecyelenoyl glycine used in our preservation system using green process. The process reduces the use of harmful chemicals during the manufacturing process. The by-product of this process is also used in the manufacturing of other ingredients. This closed-loop chemistry allows minimal wastage of resources.

- Surfactants Blends: Galaxy's Range of Surfactant Blends are Ready Concentrated & Optimized Surfactant Combinations, designed to enable the preparation of various Home and Personal care rinse off products by simple dilution with Water, delivering performance with convenience. Hence, these blends provide a channel to budding entrepreneurs, processors, for easy entry & launch into the FMCG industry with convenience, low investment and zero hassle for the product's manufacturing. With Galaxy's Surfactant Blends, many individuals have been able to courageously start their business, grow and employ more people, thus contributing to nation building in long term, and support to Atmanirbhar Bharat theme during current difficult times. During the spread of COVID-19 pandemic, Galaxy supported customers to ramp up their production for Anti-bacterial Hand Wash with Galaxy's products like Galaxy 226 & Galaxy 622 thus providing prompt supplies for health care needs of society. With Galaxy's Mild Sulfate free offering cater to formulation requirement with mild, free from and green claims.

Mild Surfactants: Galaxy's New Advance Mild Surfactants are supporting customer and stakeholders to reduce environmental footprint by offering Natural, Green, Eco-Friendly Mild Surfactants based on proven Science with High Renewable Carbon Index. Next Generation Advance Mild Amino Acid Surfactants offered by Galaxy are Most Effective, Viable Solution based on Award Winning Green Chemistry for Clean, Conscious and Circular Beauty

Galaxy continued to innovate constantly in the field of surfactants chemistry. In addition to its Mild Surfactants portfolio, this year Galaxy introduced 100% Natural, Green, Sustainable multifunctional ingredient Sodium Lauryl Lactylate with high ready biodegradability based on renewable feedstock. Galaxy has designed for both, leave-on as well as rinse-off applications, for Skin and Hair delivering superior performance adding to excellent differentiated sensorial benefits.

Investments in specific technologies to improve the environmental and social impacts

Galaxy understands that 'Innovation' is a vital component of its business strategy that provides a sustainable and long-term competitive advantage to the organisation. Galaxy has adopted innovation funnel model comprising various stages wherein ideas are screened as they progress through various developmental stages before getting converted into successful business. Galaxy invests to enhance its R&D capabilities and new products scalability. In Galaxy's performance product portfolio, innovation efforts are on the process innovation. Galaxy continuously conduct thorough analysis of its sites and production processes, plan and execute de-bottlenecking and free up resources to run sites to their fullest potential.

Sustainable Sourcing

Galaxy has defined internal procedures for sustainable sourcing. Galaxy evaluates vendors on environment, social, safety and quality parameters prior to registration of a vendor. The suppliers are asked to endorse Supplier Code of Conduct containing the organization approach on quality, environment, and occupational health and safety management systems. Galaxy is an ordinary member of Roundtable on Sustainable Palm Oil (RSPO) that facilitates sustainability in palm oil supply chain. More than 90% of Galaxy's supplies (by value) are from suppliers adhering to internal or external sustainability standards / codes / policies. This includes International standards like RSPO, REACH, ISO standards, their internal standards, adherence to our supplier code of conduct, etc. Galaxy is signatory to Responsible Care Global Charter (RCGC) and is permitted to use Responsible Care® logo for manufacturing units in India till January 2024. Galaxy adheres to the requirements of 'Distribution Code and Product Stewardship Code' of the framework to ensure safe and sustainable transportation.

Local vendors

Galaxy has developed vendors that are local and promotes local producers. Galaxy has helped few vendors in improving their capacity, setting up new facility, and improving their productivity. More than 40% of procurement spend was used to procure material from local suppliers.

Recycling of products and waste

Galaxy focuses on waste elimination, recycling and optimum utilization of resources. Galaxy is continually improving waste monitoring mechanism. Galaxy has implemented projects that have reduced waste over the years by recycling by-products/ waste for internal consumption and improving the yield of production. Hazardous waste is sent to authorized waste management agencies and Non-Hazardous waste is sent to authorized recyclers for further recycling. With Galaxy's focus on effective recycling of water, all the manufacturing facilities in India are "Zero Liquid Discharge".

End-of-life of products

In line with Galaxy's Quality Policy, it promotes safe use of products by providing necessary information regarding storage, transportation, handling, disposal and performance of products. Galaxy conducts environment risk assessment of the product during transport, handling, storage, use and disposal phase and ensure that the hazards and adverse effects of the chemicals on human health and the environment, as well as physical and chemical properties are communicated down the supply chain in the form of Safety data sheets (SDS) and labels. GHS / CLP labels are also affixed on packages for clear and concise communication of product hazards, as applicable. SDS and labels are periodically reviewed and revised. In addition, SDS and labels are also updated whenever new and significant information is available. While transporting dangerous goods, Galaxy ensures use of UN certified packing material and affixation of Dangerous goods labels in compliance with IMDG (International Maritime Dangerous Goods) and IATA (International Air Transport Association). Galaxy has registered for worldwide emergency service through ChemTrec. Galaxy has developed Master Global Product Brochure, Application Guide, Specialty Product Catalogues and Formulation Guide for customers.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES

The growth of an organisation is determined by the pace of growth of its people. Galaxy believes in nurturing and empowering talent so that they can exercise their potential to the fullest. Galaxy believes people are the endless source of energy who help in generating resources for our business. Hence, Galaxy's Human Resource Process is called People Energy Process. Galaxy's motto and value systems are well imbibed by our workforce and they are trained on this right from their induction, which leads to harmony in working. 'Everyone can make a Difference' is one of our Values. Galaxy believes that each Galaxite is our Talent and our pursuit is to build future leaders who create value. Galaxy trains our employees on a continual basis to increase the level of operational excellence, improve productivity and maintain compliance standards on quality and safety. Galaxy offers employees performance-linked incentives and benefits and conduct employee engagement programmes from time-to-time. Galaxy is committed towards building talent and a high performance learning culture where our employees feel creative, challenged and rewarded, and have many opportunities to demonstrate their skills and abilities. Various Behavioural, Safety, Technical and on–the-job training programmes are regularly organised for workforce.

Employee Health and Well-being

Galaxy constantly strives to address the issue of work life balance and encourages their employees to maintain the same. Employee health is critical for Galaxy's sustainable growth and in keeping with this, annual health check-up and wellness programmes are conducted for employees across the organization. Under the wellness program – 'MyHealth, MyChoice' – Galaxy runs its health newsletter known as the 'Wellness Quotient' to spread awareness amongst the employees so that they can be sensitised regarding various health-related issues/ topics and also be motivated towards better physical, mental and emotional well-being.

Occupational Health & Safety

Safety forms an integral part of Galaxy's culture. Galaxy's Vision is to achieve and sustain an incident-free organisation. In order to achieve this Vision, Galaxy has established processes and systems and ensures that such culture promotes safety across all locations. There were seven reportable incidents including three fatalities and no disabilities caused and LTI-FR was 0.97 during the FY 2020-21. Galaxy is known for its safety standards and while last year's accident has left an indelible mark, Galaxy has focused to ensure that such incident never ever occurs again. Based on the insights derived from the investigation, Galaxy has launched Project Abhayatam – A Fearless, New Beginning. This project comprises an 8-step review mechanism by a Team of subject specialists within Galaxy. This is to strengthen and enhance the Design, Operations, Safety and Skill levels of all plant personnel across the organisation and which enables to identify the areas requiring improvement in Safety. Galaxy provides safe workplace environment and imparts training to all its employees on regular basis. Galaxy regularly provides training to Company and contractor employees on topics like behavioural safety, Fire Safety, Self-contained breathing apparatus (SCBA), defensive driving etc.

Safety protocols for COVID-19 is designed and implemented under the supervision of the Conversion (Manufacturing) Head. It includes:

- Disinfection of all plant units
- Temperature checks and sanitisation before entering the premises
- Immunity build-up diets for the workers
- Disinfection of transportation mediums employed to get the workers
- Social distancing measures at all points
- Provision of sanitisation facilities at all check points.
- Ensuring there is periodic washing of hands and continuous use of face masks.
- Provision of hand sanitisers and hand washes for labourers
- Educating all plant members about COVID-19 and best practices to ensure health and safety at all points.
- Check-list with elaborate procedures for starting up post shutdowns for every unit.
- Employing the best-in-class start up and shut down procedures which have been defined and employed at all points –even before COVID-19 set in.
- Key safety and maintenance personnel are available at all points of time.

Adopting 'Work from Home' practice as far as possible for all corporate employees to ensure safety.

Safety & skill up-gradation training

Galaxy has ensured 100% safety training for employees and workmen at all manufacturing sites. Also, Galaxy provides specific skill upgradation training for employees with coverage of about more than 85% (average, considering all the manufacturing sites). Contract employees are encouraged to participate in safety month, toolbox talk and safety trainings.

Employee category	Number of Employees	% Trained on Safety	% Trained for Skill Up-gradation
Permanent	1370	62%	91%
Permanent Female	102	25%	89%
Temporary/Contractual	748	100%	Mainly safety training
Disabled Employees	2	0	0

Collective Bargaining and Employee Engagement

Galaxy recognises and respects employees' rights to freedom of peaceful association and collective bargaining. Galaxy also facilitates open communication and direct engagement between workers and management. Galaxy is a union-free organisation. Employee Welfare Council is constituted in manufacturing units as a platform for employees to voice their concerns and grievances to the management on a monthly basis. Employees are encouraged to provide their feedback and there are anonymous speak-up mechanisms set up for sharing their concerns and grievances. There were no cases of delay in payment of wages during the year.

Grievance Redressal

Galaxy treats its employees equally, with dignity and with no gender bias. Galaxy believes and ensures that all employees work in an environment that is free from all kinds of harassments including sexual harassment of women. As required under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Galaxy has constituted an IC (Internal Committee).

There were no complaints received relating to child labour, forced labour or involuntary labour in the last financial year and none pending, as on the end of Financial Year 2020-21. During the year, one complaint of sexual harassment was received which was resolved promptly.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on the end of the financial year
1	Child labour / forced labour / involuntary labour	NIL	NIL
2	Sexual harassment	1	NIL
3	Discriminatory employment	NIL	NIL

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALISED

Galaxy considers stakeholders as partners in business and engages with internal and external stakeholder groups, beyond normal transactional engagement. This also ensures effective two-way communications and helps identify and address any concerns and creation of a shared value.

Stakeholder mapping

Galaxy's key stakeholder groups include customers, suppliers, vendors, investors, shareholders, employees, NGOs and the local communities around its manufacturing plants.

Disadvantaged, vulnerable and marginalized stakeholders

Galaxy identifies vulnerable and disadvantaged sections amongst the stakeholder group and takes special efforts to address their concerns. Galaxy addresses specific concerns of women employees. Galaxy's community initiatives are addressed specifically to alleviate issues and problems of vulnerable and disadvantaged sections.

Further, Galaxy has defined process for identifying communities near its plants as key community stakeholders. All the vulnerable stakeholders are identified and the projects are considered after full-fledged discussion and a complete due diligence of the beneficiaries. All the considered projects are in line with the vision and the strategy.

Initiatives to engage with the disadvantaged, vulnerable and marginalized stakeholders

Galaxy follows an integrated approach to interact with its community stakeholders for designing the CSR projects in line with the needs and the requirement of the community. CSR Committee has identified the thrust area projects around which the Company shall be focusing its CSR initiatives and channelizing the resources on a sustained basis. There will be alignment of CSR programmes across all locations to ensure common focus and synergy in efforts: Arogya Vardheeni, Gyan Sanjeevani, Samajeek Utthaan, Vatavaran Suraksha, Stree Unnati and Aapda Rahat.

Stakeholder Engagement and Communication

Galaxy considers it extremely important to understand the viewpoints and concern of the stakeholders. Galaxy is committed to our stakeholders to conduct its business in a responsible manner that creates a sustained positive impact on society. Galaxy's CSR Policy focuses on minimizing resource constraints of underprivileged people preferably around its operating facilities and offices for their well-being & improved quality of life.

Every year, Galaxy attempts to bring continuous improvement in its approach towards comprehensively engaging our stakeholders and arriving at the material aspects. Galaxy has a range of internal and external stakeholders. Galaxy engages with all relevant stakeholders through a variety of mechanisms, including direct meeting, surveys, engagement at professional and industry forum, and sharing information. The frequency of engagement is planned for regular communication with stakeholders on key issues as shared in table below. Galaxy also conducts additional engagement with identified stakeholders as part of development of the sustainability reports.

Engaging continuously with supply chain partners to improve operational efficiency and integrate sustainability considerations into value chain, Galaxy scaled strategic engagement with its suppliers on sustainability agenda during the year. Conscious efforts were taken to create sustainability awareness among local suppliers. Galaxy also conducted periodic site assessments, and regularly review the performance of non-financial indicators of the suppliers.

Stakeholders	Departments responsible for engagement	Environmental and Social Issues addressed in Engagement	Mode of communication/ Feedback
Customers	Business Creation, Business Development, Business Quality, Quality Assurance, Global Customer Delight and Business Process Excellence	• Carbon footprint/Carbon disclosure, • Management of Environmentally hazardous substances, • Innovation, • Customer Satisfaction Survey	1. Regular business reviews with key customers 2. Customer satisfaction surveys and feedback 3. Customer audits and customer questionnaire responses 4. Meeting customer requirements and requests for improvement on environmental and social responsibility
Investor	Investor Relations & Corporate Governance	• Corporate governance/risk management • Investment in CSR • Transparency of information disclosure • Compliance	1. AGM 2. Annual Reports 3. Investor Meets
Government and Regulatory bodies	Corporate Governance, SHE, People Energy	• Environmental and Social Compliance	Statutory and Legal Compliance filings
Suppliers & Vendors	Sourcing, Quality Assurance, SHE	• Environmental initiatives (e.g., reduced packaging and recycling) • Supply chain management • Compliance with laws and regulations • Work environment and hygiene • Machine / equipment safety • Human Rights	1. Supplier workshops and annual suppliers meet 2. Suppliers consultation and auditing 3. Informing suppliers through feedback mechanism 4. Supplier Sustainability assessment questionnaire
Transporter	GCD, SHE	• Supply chain management • Carbon management • Road Safety • Safe System • Compliance with laws and regulations	1. Transporter consultation and auditing 2. Informing transporter through feedback mechanism
Employees (Employee & Contract employees)	People Energy, Business Process Excellence, SHE, Energy Cell, Water Cell, CEP and WESAP Team	• Ethics/integrity management • Employee diversification • Human rights • Learning and growth • Work environment / Working conditions • Salary / Benefits • Health and safety • Employee Well-being • Career Development • Balance of work and life	1. Meetings & Trainings 2. Employee Engagement Survey 3. 360 degree feedback 4. One-on-one interviews with managers 5. Performance communication 6. Communication meetings with new recruits 7. Employees can communicate through internal channels 8. Energy Week, Safety Month, Environment Day celebrations
Community	CSR Team, CSR Committee and employees	• Environmental awareness • Community Development • SHE system and practices	1. CSR initiatives 2. Sustainability Report 3. Participation in conferences 4. One on one interactions

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Galaxy has established a human rights policy that is communicated to every employee. Galaxy also ensures that forced or child labour is not practised at the work premises and strict compliance audits are conducted to ensure the same. 30% of employees and workmen have been provided training on Galaxy's human rights and policies during FY 2020-21. Employees are encouraged to provide their feedback under the Whistle Blower policy and there are anonymous speak-up mechanisms set up for sharing their concerns and grievances. There were no stakeholder complaints related to human rights violations during 2020-21.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

With Sustainability - a way of life, Galaxy has embarked on a journey of sustainable growth across all geographies of the operations. Galaxy is committed to integrate sustainability into business. Galaxy continues to improve sustainable performance and practices by adopting globally applicable management systems. Galaxy strives to minimize environmental impact by setting long term sustainability goals. Over the past several years, Galaxy has made substantial progress on Environmental management and sustainability goals.

Galaxy has published Sustainability and SHE Policies that are signed by the Managing Director and available on the Company's website.

Material risks of potential or actual adverse impacts upon the environment and communities

Galaxy has conducted materiality survey in accordance with the GRI Standards. The frequency of materiality assessment is once in two years. Accordingly, during the FY 2019-20, Galaxy conducted materiality survey to identify all the sustainability topics and priorities with importance to Galaxy, and that has a material impact on its stakeholders. Galaxy has shared performance with respect to the material topics in the Sustainability Report.

Identification and assessment of potential environmental risks

Galaxy identifies and monitors environmental risks in line with ISO 14001:2015-Environment Management System. Aspect – Impact analysis is captured in Aspect- Impact register which is reviewed and updated regularly. Programmes/ controls are identified and implemented based on this register to reduce operational environmental risks.. Galaxy has adopted The Task Force on Climate-Related Financial Disclosures (TFCD) framework to evaluate and manage climate related risks. TCFD was established by the Financial Stability Board with the aim of improving the reporting of climate-related risks and opportunities. This framework provides direction to the organisation on how to drive commitment in the transition towards a low carbon global economy.

Strategies/ initiatives to address global environmental issues such as climate change, global warming

At Galaxy, sustainability and business growth goes in hand in hand. It is integral to long term continuity of the business. Galaxy has implemented several CSR and sustainability initiatives that have helped in minimizing environmental impacts of its operations and actively contribute to social and economic development of the communities. Key focus areas are improving energy efficiency, increasing renewable energy consumption, reducing waste generation, minimising water consumption, and mitigating climate change risks. Galaxy has also incorporated group wide sustainability policy that has helped Galaxy to minimize their environmental footprint and streamline business processes.

Galaxy is committed to Science Based Targets initiative (SBTi) and setting a highly ambitious target to transition to low carbon economy. The key focus areas have been improving energy efficiency, increasing renewable energy consumption, reducing waste generation, minimising water consumption, and mitigating climate change risks. Galaxy Surfactants, Taloja plant has been conferred with the CII Green Company rating (GreenCo - Silver level) and the plant becomes the 2nd Surfactant unit in the country to achieve this feat. GreenCo Rating revolves around 10 performance parameters, namely, energy efficiency, water conservation, renewable energy, greenhouse gas emissions, waste management, material conservation, green supply chain, product stewardship & life cycle assessment, innovation, and green infrastructure & ecology. Galaxy has achieved consistent progress in Carbon Disclosure Project (CDP) 2020 with score of Management Level 'B' in CDP- Climate Change compared to global average of 'C', Management Level 'B-', in CDP-Water compared to global average of 'B' and Leadership Level, 'A-' in Supplier Engagement compared to global average of 'C'. Galaxy Group won the GOLD medal 2020, awarded by EcoVadis.

CDM/Env. Compliance Report

No, Galaxy currently does not have any project related to Clean Development Mechanism.

Initiatives to reduce Environmental footprint

Galaxy is committed to contributing towards low carbon growth by measuring and tracking our energy consumption and Greenhouse Gas (GHG) emission. Members of Energy Cell and Sustainability Cell meet regularly to review energy performance and are guided by Energy policy. Galaxy with its commitment to increase the share of clean energy, has commissioned installation of Roof Top solar panels and completed overall around 800 kWp solar installations at its corporate office and manufacturing sites at Taloja and Jhagadia. Galaxy plans to increase and add more renewable power in line with its Sustainability Goals. Galaxy accounts its GHG emissions using ISO 14064-1:2006 standards and published emission factors from IPCC. Galaxy has implemented ISO 50001:2018, Energy Management System at Taloja Manufacturing Unit with aim to reduce energy consumption and emissions impacting climate.

From May 2017 onwards, Galaxy has achieved zero liquid discharge at all manufacturing sites in India along with necessary consents from the Pollution Control Boards.

The performance of Sustainability Goals and initiatives are shared on website and in the Sustainability Report of Company.

Emissions/Waste compliance

The emissions / wastes generated are well within limits prescribed under consents and approvals of State Pollution Control Boards (SPCB) where the plants are located. There were no cases of any show cause/ legal notices from pollution control board.

Collective Action with external partners

Galaxy continuously engages with its supply chain partners to reduce environmental risks and integrate sustainability considerations into the value chain. Conscious efforts were taken to create sustainability awareness among local suppliers. Galaxy also conducts periodic site assessments, and regularly review the performance of non-financial indicators of its suppliers. Galaxy regularly interacts with suppliers for mutual value creation on the sustainability front.

Giving back to the society is the core principle that governs Galaxy's CSR activities. Under our CSR programme, we ensure environmental protection and maintenance of ecological balance through tree plantation, cleanliness drives, awareness for energy/ water conservation and harvesting, solid waste reduction & proper disposal by segregation & composting. Galaxy also promotes solar and other non-conventional energy projects, as well as reverse rainwater harvesting.

Galaxy has defined water stewardship as the use of water that is socially and culturally equitable, environmentally sustainable and economically beneficial, achieved through a stakeholder-inclusive process. Some of initiatives related to Water Stewardship are rainwater harvesting, water conservation projects, drinking water availability, Rejuvenation of Wells, proper sanitation facilities, check dam creation, De-silting of water bodies, Installation of Kedia Farm Pattern(Patended) rainwater harvesting Structures in fields of farmers etc.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

Memberships and Associations

Galaxy is a member of several industry and trade bodies and regularly participates in industry events and stakeholder consultation/ dialogue leading to policy formulation by various regulatory bodies. Some of key associations of which the Company is an active member include:

- Indian Chemical Council (ICC)
- Bombay Chamber of Commerce and Industry (BCCI)
- CHEMEXCIL - Basic Chemicals, Pharmaceuticals & Cosmetics Export Promotion Council
- Indian Specialty Chemical Manufacturers' Association (ISCMA)
- CII TPM Club
- Renewable Energy Demand Enhancement (REDE) initiative

Policy Advocacy

Galaxy participates in policy advocacy and discussions on issues relevant to its industry sector. The Senior Leadership Team interacts with various professional bodies and organizations on issues related to governance, economic reforms, water and sustainable business principles.

Anti-Competitive Conduct

During FY 2020-21, no adverse order was passed against the business of the Company for anti-competitive conduct.

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Galaxy believes that business growth is impactful only when it is inclusive of the communities and environment that are associated with the corporate. Corporate Social Responsibility is the main pillar of Galaxy's sustainability initiatives and is driven by CSR policy with the objective to maximize Galaxy's impact on the society and stakeholders while considering environment and overall sustainability.

CSR Motto:

- Galaxy shall be a good corporate and community citizen
- Galaxy Shall encourage a culture of Volunteering
- Galaxy shall endeavour to enhance human excellence and improving quality of life

CSR Vision: "Minimize resource constraints of underprivileged people preferably around our operating centres for their well-being & improved quality of life."

CSR Mission: "To be a catalyst for a healthy society through specific educational initiatives in personal hygiene, environment cleanliness and infrastructure support for community development".

Galaxy has adopted a Corporate Social Responsibility policy and a CSR committee of the Board guides policy implementation, monitoring and reporting. The CSR policy is available on the website of the Company. The CSR programmes are undertaken through employee volunteering led by an internal team and a few external NGOs. The CSR Report has been dealt with more exhaustively in the annexure to the Board's Report for FY 2020-21.

The CSR initiatives are implemented through following projects:

a) Aarogya Vardheeni – Healthcare & Preventive Healthcare

b) Gyan Sanjeevani – Education

c) Samajeek Utthaan – Rural Development

d) Stree Unnati – Women Empowerment'

e) Vatavaran Suraksha – Environment Protection and

f) Aapda Rahat – Calamity Relief

Implementation of initiatives and projects

CSR initiatives have been primarily conceptualised or driven by Galaxy's in-house CSR team which are called Site Steering Councils. However, some of the initiatives/ projects are also run-in collaboration with external NGOs, Government organisations as well. Galaxy acts as a good corporate citizen by encouraging employees to engage in volunteering activities.

Impact Assessment

Every project and initiative are monitored and reviewed by the Site CSR Steering Council for its effective implementation, quantitatively and qualitatively through personal visits at regular interval.

Direct contribution to community development projects

Total Expenditure reported is ₹ 4.10 Crore. Project wise details are available in Annexure C of Board Report.

Successful Adoption of projects by community and stakeholders

Galaxy adopts a collaborative and participatory approach with communities/beneficiaries in conceiving and deploying CSR projects. Partial beneficiary contribution is sought, for project deployment/asset creation, maintenance for them to have greater ownership of the projects - which the Galaxy believes is crucial for sustainability of its initiatives. Training and capacity building of communities and relevant stakeholders to successfully adopt & carry forward these initiatives is done from time to time.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

With customers being central to Galaxy's business philosophy focus on customers during the year has been to strengthen relationships with existing customers while adding new customers across markets and regions.

Customer Complaints

As on 31st March 2021, we have ~1.9% customer complaints remain unresolved exceeding the defined closure timeline of 30 days max. Galaxy follows the 8D (eight-disciplines) methodology which is a rigorous and structured tool for responding to customer complaints and preventing its recurrence. Devising an interim containment plan, identifying and verifying root cause, implementing a long-term solution to prevent recurring of the problems, and Customer centricity approach are the key elements of Galaxy's complaint management process.

Customer Satisfaction Survey

Galaxy has a dedicated team which conducts customer satisfaction survey once in every two years to understand levels of customer satisfaction with products and services provided by the Company.

Product Information and Labelling

Galaxy displays product information like product trade name, gross weight, tare weight etc. on regular product labels. In addition, in case of specific countries/customers, Galaxy shares information with respect to product hazard as per the GHS (Globally Harmonised System of Classification and Labelling of Chemicals) /CLP (Classification, Labelling and Packaging) regulation. While transporting dangerous goods, Galaxy ensures use of UN certified packing material and affixation of Dangerous goods labels in compliance with IMDG (International Maritime Dangerous Goods) and IATA (International Air Transport Association).

Cases filed by Stakeholder

There are no cases filed by any stakeholder against Galaxy regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years and pending as on end of financial year.

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Independent Auditor's Report

To The Members of Galaxy Surfactants Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Galaxy Surfactants Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Fair valuation of financial instruments- Investment in Preference shares in subsidiary company (Refer Note 5, sub note (p), (t) of Note 1(B), Note 48 and note 50 to Standalone financial statements of the Company)** The Company's investment in preference shares in the subsidiary Company amounting to ₹ 213.88 Crores is considered as a financial asset and is measured at fair value through Profit & loss in accordance with Ind AS 109. In terms of Ind AS 113, Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Management has determined the fair values with the assistance of an external expert (management expert).	Principal audit procedures performed: • We assessed the appropriateness of the valuation techniques used by the management for valuation of these financial instruments. • We tested the design and operative effectiveness of the controls over valuation of investments including controls over assumptions used by the management's expert. • We obtained the fair valuation report of management's expert. • We assessed the objectivity and competence of the management's expert. • We evaluated the reasonableness of the future cash flows considered by the management in respect of the preference shares. • We tested the assumptions used by the management's expert to determine whether these were reasonable and consistently applied. We involved our valuation specialists to assist in our assessment of the fair value of the preference shares.

Sr. No.	Key Audit Matter	Auditor's Response
	The fair value was determined based on the discounted cash flow model. The result of the fair value measurement depends to a large extent on the management's assessment of future cash inflows and the discount rate used, and is therefore subject to significant judgement. Due to the estimation uncertainty of the valuation and due to the fact that changes in assumptions could affect the fair value of the financial assets, this matter was of particular significance in the context of our audit.	• With the assistance of our fair value specialists, we evaluated the reasonableness of the (1) valuation methodology and (2) discount rate by: • Testing the source information underlying the determination of the discount rate and the mathematical accuracy of the calculation. • Developing a range of independent estimates and comparing those to the discount rate selected by management

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report including Annexures to Directors' Report, Management Discussion and Analysis Report, Business Responsibility Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

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

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section

143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report, that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

    e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

    f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

    g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

       In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Kedar Raje
(Partner)
(Membership No. 102637)
(UDIN: 21102637AAAACE7150)

Place: Pune
Date: June 8, 2021

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Galaxy Surfactants Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 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 company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS 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, 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, 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Kedar Raje
(Partner)
(Membership No. 102637)
(UDIN: 21102637AAAACE7150)

Place: Pune
Date: June 8, 2021

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Galaxy Surfactants Limited on the financial statements for the year ended March 31, 2021)

(i) In respect of its property, plant and equipment:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us, Immovable properties of Land and Buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the examination of the confirmation directly received from lender. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on such physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of specified products of the Company. For such products, we have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

Statute	Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	Amount involved (₹ In Crores)
The Central Excise Act, 1944	Excise Duty	Appellate Tribunal	2006-17	2.59
		Commissioner (Appeals)	2016-18	1.60
Finance Act, 1994	Service Tax	Commissioner (Appeals)	2011-15	1.15
Income Tax Act,1961	Income Tax	Commissioner (Appeals)	2010-11	0.97

Statute	Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	Amount involved (₹ In Crores)
Maharashtra Value Added Tax Act, 2002	Value Added Tax/ Central Sales Tax	Joint Commissioner (Appeals)	2013-17	3.55
		Sales Tax Tribunal	2012-13	0.48
Gujarat Value Added Tax Act, 2003	Value Added Tax/ Central Sales Tax	Joint Commissioner (Appeals)	2016-17	0.21
The Custom Act,1962	Custom Duty	Commissioner (Appeals)	2012-13	3.06
		Appellate Tribunal	2014-15	0.09

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. Company did not have dues to financial institutions, government and to debenture holders.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Kedar Raje
(Partner)
(Membership No. 102637)
(UDIN: 21102637AAAACE7150)

Place: Pune
Date: June 8, 2021

Galaxy — Global Supplier to Global Brands

Balance Sheet

as at 31st March 2021

₹ Crores

Particulars	Note	2021	2020
I. ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	2	358.53	369.59
(b) Right of use Asset	3	99.17	102.40
(c) Capital Work-in-Progress		116.20	61.37
(d) Other Intangible Assets	4	5.57	5.30
(e) Financial Assets			
(i) Investments	5	216.71	218.18
(ii) Loans	6	5.89	5.56
(iii) Other Financial Assets	7	0.02	0.02
(f) Income Tax Assets (Net)		8.01	8.03
(g) Other Non-Current Assets	8	28.58	36.89
Total Non-Current Assets		**838.68**	**807.34**
Current Assets			
(a) Inventories	9	270.19	202.12
(b) Financial Assets			
(i) Trade Receivables	10	339.55	274.07
(ii) Cash and Cash Equivalents	11	11.93	16.91
(iii) Bank Balances other than Cash and Cash Equivalents	11	12.90	0.74
(iv) Loans	6	0.49	0.30
(v) Other Financial Assets	7	5.72	9.49
(c) Other Current Assets	8	78.10	78.13
Total Current Assets		**718.88**	**581.76**
Total Assets		**1,557.56**	**1,389.10**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12A	35.45	35.45
(b) Other Equity	12B	981.37	854.39
Total Equity		**1,016.82**	**889.84**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	53.02	82.99
(ii) Lease Liabilities	14	4.77	7.09
(iii) Other Financial Liabilities	15	0.35	0.34
(b) Provisions	16	10.08	13.78
(c) Deferred Tax Liabilities (Net)	17	29.32	30.51
(d) Other Non-Current Liabilities	18	-	0.43
Total Non-Current Liabilities		**97.54**	**135.14**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	88.37	58.03
(ii) Lease Liabilities	14	2.66	2.28
(iii) Trade Payables			
(a) Total outstanding dues of Micro and Small Enterprises	20	7.51	4.36
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	20	299.03	222.57
(iv) Other Financial Liabilities	15	26.43	56.55
(b) Provisions	16	5.15	3.64
(c) Current Tax Liabilities (Net)		1.21	5.16
(d) Other Current Liabilities	18	12.84	11.53
Total Current Liabilities		**443.20**	**364.12**
Total Equity And Liabilities		**1,557.56**	**1,389.10**

The accompanying notes 1 to 52 are an integral part of the Financial Statements

In terms of our report attached

Deloitte Haskins & Sells LLP
Chartered Accountants

KEDAR RAJE
Partner

Place : Pune
Date : June 8, 2021

For and on behalf of the Board

U. SHEKHAR
Managing Director
DIN: 00265017

K. NATARAJAN
Executive Director & COO
DIN: 07626680

K. GANESH KAMATH
Executive Director
Finance & CFO
DIN: 07767220

N. KETKAR
Company Secretary

Place: Navi Mumbai
Date: June 8, 2021

Statement of Profit and Loss

for the year ended 31st March 2021

₹ Crores

Particulars			Note	2020-21	2019-20
Revenue from operations			21	1,830.50	1,793.12
Other Income			22	4.40	5.36
Total Income				**1,834.90**	**1,798.48**
EXPENSES					
Cost of materials consumed			23	1,247.95	1,166.64
Purchases of Stock-in-trade			24	10.38	9.83
Changes in inventories of finished goods, stock-in-trade and work-in-progress			25	(50.27)	22.05
Employee benefit expenses			26	105.70	94.37
Finance costs			27	8.37	16.90
Depreciation, amortisation and impairment expenses			28	49.80	39.94
Other expenses			29	223.65	219.05
Total Expenses				**1,595.58**	**1,568.78**
Profit before exceptional items and tax				**239.32**	**229.70**
Exceptional Items				-	-
Profit before tax				**239.32**	**229.70**
Tax Expenses					
	Current Tax		30	62.23	58.12
	Deferred Tax charge / (credit)		30	(0.77)	(10.60)
Total Tax Expenses				**61.46**	**47.52**
Profit for the year				**177.86**	**182.18**
OTHER COMPREHENSIVE INCOME					
A.	(i)	Items that will not be reclassified to profit or loss :			
		Remeasurements of the defined benefit plans		(1.66)	(2.37)
	(ii)	Income tax relating to items that will not be reclassified to profit or loss	31	0.42	0.19
B.	(i)	Items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income				**(1.24)**	**(2.18)**
Total Comprehensive Income for the year				**176.62**	**180.00**
Earnings per equity share :					
(Face value ₹ 10 per share)					
Basic (₹)			32	50.17	51.38
Diluted (₹)			32	50.17	51.38

The accompanying notes 1 to 52 are an integral part of the Financial Statements

In terms of our report attached

Deloitte Haskins & Sells LLP
Chartered Accountants

KEDAR RAJE
Partner

Place : Pune
Date : June 8, 2021

For and on behalf of the Board

U. SHEKHAR
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Executive Director
Finance & CFO
DIN: 07767220

N. KETKAR
Company Secretary

Place: Navi Mumbai
Date: June 8, 2021

Statement of Changes in Equity

for the year ended 31st March, 2021

A) Equity Share Capital

₹ Crores

Particulars	2021	2020
Issued and Subscribed :		
Balance as at the beginning of the year	35.45	35.45
Balance as at the end of the year	**35.45**	**35.45**

B) Other Equity

₹ Crores

Particulars	Reserves and Surplus			Total Other Equity
	Securities Premium Account	General Reserve	Retained Earnings	
Balance as at 1st April, 2019	**0.20**	**26.38**	**720.48**	**747.06**
Profit for the year	-	-	182.18	182.18
Other Comprehensive Income / (Loss) (Net of tax expenses)	-	-	(2.18)	(2.18)
Total Comprehensive Income for the year	**-**	**-**	**180.00**	**180.00**
Dividend on Equity Shares	-	-	(10.64)	(10.64)
Dividend Distribution Tax	-	-	(2.19)	(2.19)
Interim Dividend	-	-	(49.64)	(49.64)
Interim Dividend Distribution Tax	-	-	(10.20)	(10.20)
Balance as at 31st March, 2020	**0.20**	**26.38**	**827.81**	**854.39**
Profit for the year	-	-	177.86	177.86
Other Comprehensive Income / (Loss) (Net of tax expenses)	-	-	(1.24)	(1.24)
Total Comprehensive Income for the year	**-**	**-**	**176.62**	**176.62**
Interim Dividend	-	-	(49.64)	(49.64)
Balance as at 31st March, 2021	**0.20**	**26.38**	**954.79**	**981.37**

Notes :

B.1 : During the year ended March 31, 2021, the Board of Directors at its meeting held on 8th February, 2021 has approved interim dividend of ₹ 14 per share (140% of the face value of the equity share of face value of ₹ 10 each) amounting to ₹ 49.64 crores.

Details of Dividend proposed :

₹ Crores

Particulars	2021	2020
Dividend per share (In Rupees)	4.00	-
Dividend proposed on Equity Shares	14.18	-
Total Dividend proposed	**14.18**	**-**

The accompanying notes 1 to 52 are an integral part of the Financial Statements

In terms of our report attached

Deloitte Haskins & Sells LLP
Chartered Accountants

KEDAR RAJE
Partner

Place : Pune
Date : June 8, 2021

For and on behalf of the Board

U. SHEKHAR
Managing Director
DIN: 00265017

K. NATARAJAN
Executive Director & COO
DIN: 07626680

K. GANESH KAMATH
Executive Director
Finance & CFO
DIN: 07767220

N. KETKAR
Company Secretary

Place: Navi Mumbai
Date: June 8, 2021

Cash Flow Statement

for the year ended 31st March, 2021

₹ Crores

	Particulars	2020-21	2019-20
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Profit After Tax	**177.86**	**182.18**
	Adjustments for :		
	Income tax expense	61.46	47.52
	Finance costs	8.37	16.90
	Interest Subvention income	(0.71)	(1.60)
	Interest income	(3.14)	(2.40)
	Deferred income from Export Promotion Capital Goods Scheme (EPCG)	(0.03)	(0.03)
	Net foreign exchange (gain)/loss	(0.29)	0.54
	Loss/(Gain) on sale/retirement of Property, Plant and Equipment (Net)	1.35	1.48
	Depreciation, amortisation and impairment expenses	49.80	39.94
	Net loss/(gain) arising on financial assets mandatorily measured at Fair Value through Profit & Loss (Preference shares)	1.47	0.15
	Allowance for doubtful debts and advances	0.35	0.16
	Liabilities no longer required written back	(0.03)	(0.81)
		118.60	**101.85**
	Operating Profit before Working Capital changes	**296.46**	**284.03**
	Changes in :		
	Trade receivables & Other Assets	(58.45)	23.82
	Inventories	(68.07)	7.53
	Trade payables & Other Liabilities	79.93	(45.52)
		(46.59)	**(14.17)**
	Cash generated from operations	**249.87**	**269.86**
	Income Taxes Paid (net of refunds)	(66.16)	(57.37)
	NET CASHFLOWS FROM OPERATING ACTIVITIES	**183.71**	**212.49**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Interest received	2.88	2.39
	Payments for Property, Plant & Equipment and intangible assets	(95.56)	(78.54)
	Proceeds from disposal of Property, Plant & Equipment	0.35	0.18
	(Increase)/ Decrease in Earmarked balances with banks (net)	(0.16)	(0.08)
	Bank Deposits Placed	(12.00)	-
	Proceeds from redemption of preference shares	-	38.13
	NET CASHFLOWS USED IN INVESTING ACTIVITIES	**(104.49)**	**(37.92)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Repayment of long term borrowings	(52.59)	(38.99)
	Proceeds from long term borrowings	-	40.00
	Proceeds from/(Repayment of) short term borrowings (net)	31.16	29.58
	Dividends paid on equity shares	(49.49)	(93.96)
	Interest paid	(10.16)	(16.28)
	Payment of lease liabilities	(3.10)	(81.00)
	NET CASHFLOWS USED IN FINANCING ACTIVITIES	**(84.18)**	**(160.65)**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(4.96)**	**13.92**
	OPENING CASH AND CASH EQUIVALENTS	**16.91**	**3.92**
	Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	(0.02)	(0.93)
	CLOSING CASH AND CASH EQUIVALENTS	**11.93**	**16.91**

Note-

The above cash flow statement has been prepared under the "Indirect method" as set out in Indian Accounting Standard (IND AS) 7 - "Statement of Cash flows".

The accompanying notes 1 to 52 are an integral part of the Financial Statements

In terms of our report attached

Deloitte Haskins & Sells LLP
Chartered Accountants

KEDAR RAJE
Partner

Place : Pune
Date : June 8, 2021

For and on behalf of the Board

U. SHEKHAR
Managing Director
DIN: 00265017

K. NATARAJAN
Executive Director & COO
DIN: 07626680

K. GANESH KAMATH
Executive Director
Finance & CFO
DIN: 07767220

N. KETKAR
Company Secretary

Place: Navi Mumbai
Date: June 8, 2021

Notes to the Financial Statements

for the year ended 31st March 2021

1. (A) CORPORATE INFORMATION

Galaxy Surfactants Ltd. ("the Company") is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The address of its registered office is disclosed in the introduction to the Annual Report.

The Company is engaged in manufacturing of surfactants and other specialty ingredients for the personal care and home care industries. Our products find application in a host of consumer-centric personal care and home care products, including, inter alia, skin care, oral care, hair care, cosmetics, toiletries and detergent products.

The Equity shares of the Company are listed on the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE") in India.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The outbreak of Covid-19 pandemic has disrupted the economic activity globally and in India. The Company has considered internal and external sources of information while finalising various estimates for these financial statements up-to the date of approval of these financial statements by the Board of Directors. Given the uncertainties associated with its nature and duration, the actuals may differ from the estimates considered in these financial statements. The Company will continue to closely monitor any changes in future economic conditions and assess its impact on the operations.

(B) SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These Standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

The financial statements of the Company for the year ended 31st March, 2021 were approved for issue in accordance with a resolution of the Board of Directors in its meeting held on 8th June, 2021.

b) Basis of preparation and presentation

The financial statements are prepared in accordance with the historical cost basis, except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116– Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The principal accounting policies are set out below

c) Revenue Recognition

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns & goods and service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Other Income

Dividend income from investments is recognised when the shareholder's right to receive dividend has been established.

Notes to the Financial Statements

for the year ended 31st March 2021

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

d) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, decommissioning costs, if any and interest on borrowings attributable to acquisition of qualifying asset up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance and cost can be measured reliably.

Machinery spares that meet the definition of property, plant and equipment are capitalised.

Property, Plant and Equipment which are not ready for intended use as on date of Balance Sheet are disclosed as "Capital work-in-progress". Projects are carried at cost comprising of direct cost and related incidental expenses and attributable borrowing costs, if any.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation on these assets commences when assets are ready for their intended use which is generally on commissioning. Items of Property, Plant and Equipment are depreciated in a manner that amortises the cost of the assets after commissioning less its residual value, over their useful lives as specified in Schedule II of the Act on a straight line basis.

Depreciation on additions/deletions during the year is provided on pro-rata basis from/up to the date of such addition/deletion.

Property, Plant and Equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

e) Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives so as to reflect the pattern in which the assets economic benefits are consumed. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The amortisation of intangible asset is included in Depreciation and Amortisation expense in the Statement of Profit and Loss.

Software

The expenditure incurred is amortised over the five years equally commencing from the date of acquisition.

Technical Know-how

The expenditure incurred on Technical Know-how is amortised over the estimated period of benefit, not exceeding ten years commencing from the date of acquisition.

Research & Development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical and economic feasibility and marketability has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, Plant and Equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment.

f) Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and bought out components are valued at the lower of cost or net realisable value. Cost is determined on the basis of the weighted average method.

Finished goods produced and purchased for sale, manufactured components and work-in-progress are carried at cost or net realisable value whichever is lower.

Stores, spares and tools other than obsolete and slow moving items are carried at cost. Obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

g) Equity Investments in Subsidiaries

Equity Investments in Subsidiaries are carried individually at cost less accumulated impairment, if any.

h) Leases

The Company as a lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company assesses whether contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a Right of use (ROU) Asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense over the term of the lease.

The Right of use Asset are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right of use Asset are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at 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 liability and Right of use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

i) Foreign exchange transactions and translations

Transactions in foreign currencies i.e. other than the Company's functional currency of Indian Rupees are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are

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for the year ended 31st March 2021

retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on revaluation are recognised in the Statement of Profit and Loss in the period in which they arise.

j) Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Service cost and net interest expenses or income is recognised in the Statement of Profit and Loss. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Short term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Long term Compensated absences

The employees of the Company are entitled to compensated absences for which the Company records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

k) Borrowing Costs

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

- Borrowing costs that are attributable to the acquisition or construction of qualifying tangible and intangible assets that necessarily take a substantial period of time to get ready for their intended use, which are capitalised as part of the cost of such assets.
- Expenses incurred on raising long term borrowings are amortised using effective interest rate method over the period of borrowings.

Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

l) Taxes on Income

Taxes on income comprises of current taxes and deferred taxes.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognised on temporary differences, being differences between the carrying amount of assets and liabilities and corresponding tax bases used in the computation of taxable profit. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

m) Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate pre-tax discount rate to determine whether there is any indication that those assets have suffered any impairment loss. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

n) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material provision is carried at the present value of the cash flows required to settle the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

o) Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

Notes to the Financial Statements

for the year ended 31st March 2021

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

p) Financial instruments, Financial assets, Financial liabilities and Equity instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through Profit and Loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit and Loss are recognised immediately in the Statement of Profit and Loss.

Classification and subsequent measurement

Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as measured at -

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) ; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial asset not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Any gain and loss on derecognition is recognised in the Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in Other Comprehensive Income and accumulated in the reserves. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purposes. Upon the application of Ind AS 109, the Company has chosen to designate these investments as at FVTOCI as the Company believes that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in the Statement of Profit and Loss. Dividend income received on such equity investments are recognised in the Statement of Profit and Loss.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in the Statement of Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

Compound instruments

An issued financial instrument that comprises of both the liability and equity components are accounted as compound financial instruments. The fair value of the liability component is separated from the compound instrument and the residual value is recognised as equity component of financial instrument. The liability component is subsequently measured at amortised cost, whereas the equity component is not remeasured after initial recognition. The transaction costs related to compound instruments are allocated to the liability and equity components in the proportion to the allocation of gross proceeds. Transaction costs related to equity component is recognised directly in equity and the cost related to liability component is included in the carrying amount of the liability component and amortised using effective interest method.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Financial guarantee contracts and loan commitments

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts and loan commitments issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Notes to the Financial Statements

for the year ended 31st March 2021

Impairment of financial assets

The Company applies the expected credit loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

q) Dividend Distribution

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

r) Derivative contracts:

The Company uses derivative financial instruments such as foreign exchange forward contracts and interest rate swaps to hedge its foreign currency risks which are not designated as hedges. All derivative contracts are marked-to-market and losses/gains are recognised in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

s) Use of Estimates and judgement:

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed at the end of each reporting period. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting judgements and key source of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property, plant and equipment and intangible assets

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Useful lives of intangible assets is determined on the basis of estimated benefits to be derived from use of such intangible assets. These reassessments may result in change in the depreciation /amortisation expense in future periods.

Notes to the Financial Statements

for the year ended 31st March 2021

Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value at each balance sheet date or at the time they are assessed for impairment. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities require estimates to be made by the management and are disclosed in the notes to the financial statements.

Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the financial statements.

t) Fair value measurement:

The Company measures certain financial instruments at fair value at each reporting date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in the Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

- Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

u) Earnings per share

- Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

- For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

Notes to the Financial Statements

for the year ended 31st March 2021

2 PROPERTY, PLANT AND EQUIPMENT

₹ Crores

Particulars	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
(I) COST						
Balance as at 1st April, 2019	**147.35**	**469.28**	**18.40**	**5.79**	**21.31**	**662.13**
Add : Additions during the year	6.43	42.02	0.59	0.74	2.69	**52.47**
Less : Disposals / Adjustments during the year	-	28.95	-	0.33	0.85	**30.13**
Balance as at 31st March, 2020	**153.78**	**482.35**	**18.99**	**6.20**	**23.15**	**684.47**
Add : Additions during the year	4.19	27.05	0.92	0.20	3.03	**35.39**
Less : Disposals / Adjustments during the year	0.21	16.13	0.01	0.18	3.21	**19.74**
Balance as at 31st March, 2021	**157.76**	**493.27**	**19.90**	**6.22**	**22.97**	**700.12**
(II) ACCUMULATED DEPRECIATION						
Balance as at 1st April, 2019	**43.37**	**233.23**	**13.29**	**2.42**	**15.66**	**307.97**
Add : Depreciation expense for the year	5.74	25.45	1.40	0.57	2.22	**35.38**
Less : Disposals / Adjustments during the year	-	27.51	-	0.14	0.82	**28.47**
Balance as at 31st March, 2020	**49.11**	**231.17**	**14.69**	**2.85**	**17.06**	**314.88**
Add : Depreciation expense for the year	5.96	26.65	1.27	0.61	2.41	**36.90**
Add : Impairment expense for the year (Refer Note 2.5)	0.57	6.54	0.09	-	0.02	**7.22**
Less : Disposals / Adjustments during the year	0.05	13.99	-*	0.18	3.19	**17.41**
Balance as at 31st March, 2021	**55.59**	**250.37**	**16.05**	**3.28**	**16.30**	**341.59**
Net carrying amount (I-II)						
Balance as at 31st March, 2020	**104.67**	**251.18**	**4.30**	**3.35**	**6.09**	**369.59**
Balance as at 31st March, 2021	**102.17**	**242.90**	**3.85**	**2.94**	**6.67**	**358.53**

Notes:

2.1 Buildings include shares being the value of shares in Co-operative housing Society of ₹ -* (2019-20 ₹ -*)

2.2 The amount of borrowing costs incurred during the year and capitalised is ₹ Nil (2019-20 ₹ 0.41 Crores)

₹ Crores

Particulars	2021 Amount	2020 Amount
Buildings	-	0.08
Plant & Equipment	-	0.33

2.3 The amount of expenditure (other than borrowing cost) recognised in the carrying amount of property, plant and equipment in the course of construction is ₹ 0.10 crores (2019-20 ₹ 1.47 crores) out of which ₹ Nil (2019-20 ₹ 0.70 crores) is incurred in current year.

2.4 Term loans from banks are secured by first pari passu charge created by mortgage of immovable properties located at Taloja and specified properties located at Jhagadia & Tarapur.

2.5 The Company has provided for impairment of assets at one of its facilities at Tarapur location. The facility was established in 1984 and the civil structures and some of the other assets are nearing its useful life. The Company has identified such assets and has conservatively provided for the same by way of impairment. The operations at the said facility had been suboptimal for the past 2 years and we do not expect the said suspension to have any material impact on the operations of the Company.

*Figures less than ₹ 50,000.

Notes to the Financial Statements

for the year ended 31st March 2021

3 RIGHT OF USE ASSET

₹ Crores

Particulars	Office Premises	Land*	Total
(I) COST			
Balance as at 1st April, 2019	-	-	-
Add : Reclassified on account of adoption of Ind AS 116 "Leases"	-	18.95	**18.95**
Add : Transition impact on account of adoption of Ind AS 116 "Leases"	11.20	-	**11.20**
Add : Additions during the year	0.30	78.12	**78.42**
Less : Deductions/Adjustments during the year	0.11	-	**0.11**
Balance as at 31st March, 2020	**11.39**	**97.07**	**108.46**
Add : Additions during the year	0.39	0.09	**0.48**
Less : Disposals / Adjustments during the year	-	-	-
Balance as at 31st March, 2021	**11.78**	**97.16**	**108.94**
(II) ACCUMULATED AMORTISATION			
Balance as at 1st April, 2019	-	-	-
Add : Reclassified on account of adoption of Ind AS 116 "Leases"	-	3.21	**3.21**
Add : Depreciation expense for the year	2.58	0.27	**2.85**
Less : Deductions/Adjustments during the year	-	-	-
Balance as at 31st March, 2020	**2.58**	**3.48**	**6.06**
Add : Depreciation expense for the year	2.65	1.06	**3.71**
Less : Deductions/Adjustments during the year	-	-	-
Balance as at 31st March, 2021	**5.23**	**4.54**	**9.77**
Net carrying amount(I-II)			
Balance as at 31st March, 2020	**8.81**	**93.59**	**102.40**
Balance as at 31st March, 2021	**6.55**	**92.62**	**99.17**

Note :

3.1 The depreciation expenses of Right of use Asset have been included under 'Depreciation, amortization and impairment expenses' in the Statement of Profit and Loss.

* The net block of Leasehold land of ₹ 15.74 crores (Gross block - ₹ 18.95 crores and accumulated depreciation - ₹ 3.21 crores) was reclassified to Right of use Asset on account of adoption of Ind AS 116 "Leases".

4 OTHER INTANGIBLE ASSETS

₹ Crores

Particulars	Computer Software	Technical Know How	Total
(I) COST			
Balance as at 1st April, 2019	**9.57**	**0.30**	**9.87**
Add : Additions during the year	2.03	-	**2.03**
Less : Deductions/Adjustments during the year	0.03	-	**0.03**
Balance as at 31st March, 2020	**11.57**	**0.30**	**11.87**
Add : Additions during the year	2.24	-	**2.24**
Less : Deductions/Adjustments during the year	0.02	-	**0.02**
Balance as at 31st March, 2021	**13.79**	**0.30**	**14.09**
(II) ACCUMULATED AMORTISATION			
Balance as at 1st April, 2019	**4.75**	**0.14**	**4.89**
Add : Amortisation expense for the year	1.68	0.03	**1.71**
Less : Deductions/Adjustments during the year	0.03	-	**0.03**
Balance as at 31st March, 2020	**6.40**	**0.17**	**6.57**
Add : Amortisation expense for the year	1.94	0.03	**1.97**
Less : Deductions/Adjustments during the year	0.02	-	**0.02**
Balance as at 31st March, 2021	**8.32**	**0.20**	**8.52**
Net carrying amount(I-II)			
Balance as at 31st March, 2020	**5.17**	**0.13**	**5.30**
Balance as at 31st March, 2021	**5.47**	**0.10**	**5.57**

Note:

4.1 The amortization expense of other intangible assets have been included under 'Depreciation, amortization and impairment expenses' in the Statement of Profit and Loss.

Notes to the Financial Statements

for the year ended 31st March 2021

5 NON CURRENT INVESTMENTS

Particulars	Face Value Per Unit	2021 Number	2021 ₹ Crores	2020 Number	2020 ₹ Crores
Investments in Equity Instruments:					
Unquoted (all fully paid unless otherwise specified)					
(A) At Cost					
(i) In Subsidiary Companies					
Equity shares					
Galaxy Chemicals Inc.	US $ 0.01	12,000	0.46	12,000	0.46
Galaxy Holdings (Mauritius) Ltd.	US $ 1	500,000	2.37	500,000	2.37
Investments in Equity Instruments (Total)			**2.83**		**2.83**
Investments in Preference Shares:					
Unquoted (all fully paid unless otherwise specified)					
(A) Carried at Fair Value Through Profit & Loss (FVTPL)					
(i) In Subsidiary Companies					
Preference shares					
10% Non Cumulative Redeemable Preference Shares					
Galaxy Holdings (Mauritius) Ltd.	US $ 1	34,050,000	213.88	34,050,000	215.35
Investments in Preference Shares (Total)			**213.88**		**215.35**
Total Non Current Investments (Net)			**216.71**		**218.18**
Other Disclosures					
Aggregate amount of unquoted investments			216.71		218.18

6 LOANS

₹ Crores

Particulars	2021 Current	2021 Non- Current	2020 Current	2020 Non- Current
Financial assets at amortised cost :				
A) Security Deposits				
- Unsecured, considered good	0.24	5.60	0.13	5.27
B) Other Loans (Employees)				
- Unsecured, considered good	0.25	0.29	0.17	0.29
Total	**0.49**	**5.89**	**0.30**	**5.56**

Note :

6.1 Loans given to employees as per the company's policy are not considered for the purpose of disclosure under section 186 (4) of the Companies act 2013.

7 OTHER FINANCIAL ASSETS

₹ Crores

Particulars	2021 Current	2021 Non- Current	2020 Current	2020 Non- Current
Financial assets at amortised cost :				
(Considered Good, unless otherwise stated)				
Dues from Related Parties (Refer Note 40)	0.19	-	0.92	-
Advances				
- Considered Good	4.68	-	3.15	-
Interest accrued	0.47	-	0.21	-
Other Financial assets (Refer Note 7.1)	-	0.02	2.07	0.02
	5.34	**0.02**	**6.35**	**0.02**
Derivatives Financial instruments not designated as hedging instruments carried at Fair value through Profit & Loss				
Derivative Financial instruments	0.38	-	3.14	-
Total	**5.72**	**0.02**	**9.49**	**0.02**

Note :

7.1 Other Financial assets (Current) as at 31st March, 2020 includes Remittance in Transit.

Notes to the Financial Statements

for the year ended 31st March 2021

8 OTHERS ASSETS (NON FINANCIAL)

₹ Crores

Particulars	2021		2020	
	Current	Non- Current	Current	Non- Current
Capital Advance	-	13.84	-	11.14
	-	**13.84**	**-**	**11.14**
Advances other than capital advances				
Balance with government authorities	50.37	14.48	49.46	25.22
Prepaid Expenses	3.86	0.29	3.83	0.53
Other Advances (Refer Note 8.1)				
- Considered Good	13.55	-	10.59	-
- Considered Doubtful	-	-	-	-
	67.78	**14.77**	**63.88**	**25.75**
Less: Provision for Doubtful Advances	-	0.03	-	-
	67.78	**14.74**	**63.88**	**25.75**
Export Incentives receivable	10.32	-	14.25	-
Total	**78.10**	**28.58**	**78.13**	**36.89**

Note :

8.1 Other advances mainly include Advances to suppliers, etc.

9 INVENTORIES (LOWER OF COST AND NET REALISABLE VALUE)

₹ Crores

Particulars	2021	2020
Raw Materials [Including in transit of ₹ 40.26 Crores (2019-20 : ₹ 26.48 Crores)]	95.99	82.85
Packing Material	5.83	5.88
Work-in-Progress	53.76	41.10
Finished Products	88.80	50.66
Stock-in-Trade [Including in transit of ₹ 0.26 Crores (2019-20 : ₹ 0.50 Crores)]	6.00	6.53
Consumables, Stores and Spares [Including in transit of ₹ 0.56 Crores (2019-20 : ₹ Nil)]	19.81	15.10
Total	**270.19**	**202.12**

Notes :

9.1 The cost of Inventories recognised as an expense during the year was ₹ 1,406.49 Crores (2019-20 : ₹ 1,386.60 Crores).

9.2 The cost of Inventories recognised as an expense includes ₹ 2.70 crores (2019-20 : ₹ 1.09 crores) in respect of write downs of inventory to net realisable value, and has been reduced by ₹ 0.47 crores (2019-20 : ₹ 0.59 crores) in respect of the reversal of such write downs. Previous write downs have been reversed as a result of internal consumption.

9.3 The company has availed bank facilities which are secured by hypothecation of inventories.

9.4 The mode of valuation of inventories is stated in sub-note (f) of Note 1B.

9.5 The Company determines the realisable value of inventory based on the latest selling prices, customer orders on hand and margins, adjusted to reflect current and estimated future economic conditions also taking into account estimates of possible effect from the pandemic relating to COVID-19.

10 TRADE RECEIVABLES

₹ Crores

Particulars	2021	2020
Unsecured, considered good (Refer Note 10.1)	339.55	274.07
Unsecured, considered doubtful (Refer Note 10.2)	0.19	0.16
	339.74	**274.23**
Less : Allowance for expected credit loss	0.19	0.16
Total	**339.55**	**274.07**

Notes :

10.1 Includes ₹ 37.32 Crores (2019-20: ₹ 27.12 Crores) receivable from subsidiaries. (Refer Note 40)

Notes to the Financial Statements

for the year ended 31st March 2021

10.2 Also refer note 44(B) for disclosure related to Credit risk, Impairment of trade receivable under Expected Credit Loss and related disclosures.

10.3 The company has availed bank facilities which are secured by hypothecation of Trade Receivables.

10.4 The Company has considered subsequent recoveries, past trends, credit risk profiles of the customers based on their industry, macroeconomic forecasts and internal and external information available to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

11 CASH AND BANK BALANCES

₹ Crores

Particulars	2021	2020
Cash and cash equivalents		
Balances with banks		
- On Current Accounts	6.73	11.77
- Fixed Deposits with original maturity of 3 months or less than 3 months	5.00	5.00
	11.73	**16.77**
Cash on hand	0.20	0.14
Total Cash and cash equivalents	**11.93**	**16.91**
Bank balances other than cash and cash equivalents		
Earmarked balances with banks (Refer Note 11.1)	0.90	0.74
Term Deposits	12.00	-
Total Other Bank balances	**12.90**	**0.74**

Note :

11.1 Earmarked Balances with Banks represents amount set aside for payment of dividend and interest.

12A EQUITY SHARE CAPITAL

₹ Crores

Particulars	2021	2020
Authorised:		
5,00,00,000 Equity Shares of ₹ 10 each	50.00	50.00
(Previous Year: 5,00,00,000 Equity Shares of ₹ 10 each)		
	50.00	**50.00**
Issued, Subscribed and Paid Up :		
3,54,54,752 Equity Shares of ₹ 10 each, fully paid-up.	35.45	35.45
(Previous Year : 3,54,54,752 Equity Shares of ₹ 10 each, fully paid-up)		
Total	**35.45**	**35.45**

A. Reconciliation of number of Ordinary (Equity) Shares and amount outstanding :

Particulars	2021		2020	
	No. of Shares	₹ Crores	No. of Shares	₹ Crores
Issued and Subscribed :				
Balance as at the beginning of the year	35,454,752	35.45	35,454,752	35.45
Balance as at the end of the year	**35,454,752**	**35.45**	**35,454,752**	**35.45**

B. Rights, Preferences and Restrictions attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. The Equity shares of the company rank pari-passu in all respects including voting rights and entitlement to dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to the Financial Statements

for the year ended 31st March 2021

C. Details of Ordinary (Equity) Shares held by shareholders holding more than 5% of the aggregate shares in the Company :

Name of the Shareholder	2021		2020	
	No. of Shares	% Share holding	No. of Shares	% Share holding
Unnathan Shekhar, Gopalkrishnan Ramakrishnan, Shashikant R. Shanbhag & Late Sandhya Patil * as Partners of M/s Galaxy Chemicals	7,752,850	21.87	7,752,850	21.87
Unnathan Shekhar	4,226,740	11.92	4,226,740	11.92
Late Sandhya Patil *	4,106,040	11.58	4,106,040	11.58
Shashikant R. Shanbhag	4,097,684	11.56	4,097,684	11.56
Gopalkrishnan Ramakrishnan	2,362,783	6.66	2,362,758	6.66
Jayashree Ramakrishnan	1,842,972	5.20	1,842,972	5.20
SBI Mutual Fund	2,414,587	6.81	2,412,587	6.80
	26,803,656	**75.60**	**26,801,631**	**75.59**

*Mrs. Sandhya Patil expired on April 25, 2019. The shares held by her as well as registered in her name as a partner of Galaxy Chemicals are in the process of transmission to legal heirs.

As per the records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding the beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

12B OTHER EQUITY

₹ Crores

Particulars	2021	2020
Securities Premium Reserve	0.20	0.20
General Reserve	26.38	26.38
Retained Earnings	954.79	827.81
Total	**981.37**	**854.39**

Description of the nature and purpose of reserves in statement of changes in equity

Securities Premium: This Reserve represents the premium on issue of equity shares received and can be utilized in accordance with the provisions of the Companies Act, 2013.

General Reserve: This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized by the Company in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

13 NON-CURRENT BORROWINGS

₹ Crores

Particulars	2021	2020
Carried at Amortised Cost :		
Secured :		
Term Loan From Banks (Refer Note 13.1 and 13.2)	53.02	82.91
Total Secured Borrowings	**53.02**	**82.91**
Unsecured:		
Deferral Sales Tax Liability (Refer Note 13.3)	-	0.08
Total Unsecured Borrowings	**-**	**0.08**
Total	**53.02**	**82.99**

Notes to the Financial Statements

for the year ended 31st March 2021

Current maturities in respect of long term borrowings that have been included in Note 15 as under :

₹ Crores

Particulars	2021	2020
Term Loan From Banks	22.39	48.32
Deferral Sales Tax Liability	0.08	0.20
Total	**22.47**	**48.52**

Notes :

13.1 Term loans from banks are secured by first pari passu charge created by mortgage of immovable properties located at Taloja, specified properties located at Jhagadia & Tarapur and hypothecation of present & future movable assets, and by second pari passu charge created by hypothecation of current assets, both present and future.

13.2 Terms for secured borrowings:

Term loan outstanding as at year end	Rate of Interest* (p.a.)	Repayment Terms
Indian Rupee Loans		
Term Loan ₹ Nil (2020: ₹ 1.07 Crores)	3M MCLR + 0.60%	20 Quarterly installments of ₹ 1.07 Crores each with moratorium of 18 months commencing from April 2017.
Term Loan ₹ Nil (2020: ₹ 9.98 Crores)	PLR - 3.75%	12 Quarterly installments of ₹ 2.5 Crores each with a moratorium of 8 quarters from the date of first disbursement commencing from 30th June 2018.
Term Loan ₹ 21.66 Crores (2020: ₹ 35 Crores)	PLR - 3.75%	12 Quarterly installments of ₹ 2.92 Crores starting from November 2020.
Term Loan ₹ 13.75 Crores (2020: ₹ 18.75 Crores)	3M MCLR + 0.60%	20 Quarterly installments of ₹ 1.25 Crores starting from March 2019.
Term Loan ₹ 40 Crores (2020: ₹ 40 Crores)	6M T Bill + 3.1 %	14 Quarterly installments of ₹ 2.86 Crores each with a moratorium of 18 months from 20th Feb 2020.
Foreign Currency Loan		
Term Loan ₹ Nil (2020: ₹ 26.43 Crores)	3M LIBOR +1.90%	10% each at the end of every 6 months from the date of disbursement & 20% at the end of 60 months commenced from June 2016.

*PLR - Prime Lending Rate T Bill - Treasury Bill LIBOR - London Interbank Offered Rate MCLR - Marginal Cost of Funds based Lending Rate

13.3 Deferral sales-tax liability denotes interest-free sales tax deferral under The Package Schemes of Incentives of 1988 and 1993 formulated by the Government of Maharashtra. Sales tax deferral liability under the 1988 Scheme is repayable after 12 years in 6 annual installments and in case of 1993 Scheme after 10 years in 5 annual installments from the initial date of deferment of liability.

14 LEASE LIABILITIES

₹ Crores

Particulars	2021		2020	
	Current	Non- Current	Current	Non- Current
Lease Liabilities	2.66	4.77	2.28	7.09
Total	**2.66**	**4.77**	**2.28**	**7.09**

Note :

14.1 The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Notes to the Financial Statements

for the year ended 31st March 2021

The following is the movement in lease liabilities during the year :

₹ Crores

Particulars	2021	2020
Opening Balance	9.37	-
Add : Transition impact on account of adoption of Ind AS 116 "Leases"	-	11.20
Add : Additions	0.39	0.30
Add : Finance cost accrued during the period	0.77	0.86
Less : Deletions	-	0.11
Less : Payment of lease liabilities	3.10	2.88
Closing Balance	**7.43**	**9.37**

15 OTHER FINANCIAL LIABILITIES

₹ Crores

Particulars	2021		2020	
	Current	Non Current	Current	Non Current
Carried at Amortised Cost:				
Current maturities of long-term debt (Refer Note 13.1 & 13.2)	22.39	-	48.32	-
Current maturities of Deferral Sales Tax Liability (Refer Note 13.3)	0.08	-	0.20	-
Interest accrued on borrowings	0.35	-	0.94	-
Unclaimed dividends (Refer Note 15.2)	0.86	-	0.71	-
Unclaimed matured deposits and interest accrued thereon (Refer Note 15.3)	-	-	-	-
Security Deposits	-	0.35	-	0.34
Other liabilities (Refer Note 15.1)	2.75	-	5.45	-
	26.43	**0.35**	**55.62**	**0.34**
Derivatives financial instruments not designated as hedging instruments carried at fair value through Profit & Loss				
Derivative financial instruments	-	-	0.93	-
	-	**-**	**0.93**	**-**
Total	**26.43**	**0.35**	**56.55**	**0.34**

Notes :

15.1 Other liabilities mainly include creditors for capital goods.

15.2 There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

15.3 Unclaimed matured deposits and interest accrued thereon (current) is less than ₹ 50,000.

16 PROVISIONS

₹ Crores

Particulars	2021		2020	
	Current	Non Current	Current	Non Current
Provision for Employee Benefits				
Compensated absences	1.82	5.80	0.64	10.72
Gratuity	3.33	4.28	3.00	3.06
Total	**5.15**	**10.08**	**3.64**	**13.78**

Notes to the Financial Statements

for the year ended 31st March 2021

17 DEFERRED TAX LIABILITIES (NET)

₹ Crores

Particulars	On Fiscal allowances on fixed assets	On Provision for employee benefits	On Others	Total
Deferred tax liabilities/ (assets) As at 1st April, 2019	39.62	(6.36)	8.03	41.29
Charge/ (credit) to Statement of Profit and Loss	(9.67)	2.26	(3.19)	(10.60)
Charge/ (credit) to OCI	-	(0.18)	-	(0.18)
Deferred tax liabilities/ (assets) As at 31st March, 2020	**29.95**	**(4.28)**	**4.84**	**30.51**
Charge/ (credit) to Statement of Profit and Loss	(1.71)	0.97	(0.03)	(0.77)
Charge/ (credit) to OCI	-	(0.42)	-	(0.42)
Deferred tax liabilities/ (assets) As at 31st March, 2021	**28.24**	**(3.73)**	**4.81**	**29.32**

18 OTHER NON FINANCIAL LIABILITIES

₹ Crores

Particulars	2021		2020	
	Current	Non Current	Current	Non Current
Advances received from customers	5.60	-	6.89	-
Others (Refer Note 18.1)	7.24	-	4.61	-
Deferred revenue income under EPCG scheme	-	-	0.03	0.43
Total	**12.84**	**-**	**11.53**	**0.43**

Note :

18.1 Others mainly include government dues and taxes payable, salary deductions payable, etc.

19 CURRENT BORROWINGS

₹ Crores

Particulars	2021	2020
Secured (Carried at Amortised Cost) :		
Packing credit loan from banks (Refer Note 19.1 & 19.2)	88.37	58.03
Total	**88.37**	**58.03**

Notes :

Secured Borrowings :

19.1 Packing credit loan from banks are secured by first pari passu charge created by hypothecation of current assets, both present & future, and second pari passu charge created by mortgage of immovable properties located at Taloja, specified properties located at Jhagadia & Tarapur and hypothecation of present and future movable assets.

19.2 Rate of Interest for loans ranges from 1.50% p.a. to 8.25% p.a.

20 TRADE PAYABLES

₹ Crores

Particulars	2021	2020
Carried at Amortised Cost		
Trade payable - Micro and small enterprises (Refer Note 20.1)	7.51	4.36
Trade payable - Other than micro and small enterprises (Refer Note 20.2)	299.03	222.57
Total	**306.54**	**226.93**

Notes :

20.1 The information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. No interest in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 or otherwise has either been paid or payable or accrued and remaining unpaid as at March 31, 2021.

20.2 Trade payable - Other than micro and small enterprises includes payable to subsidiary company ₹ 2.00 Crores (2019-20: ₹ 2.57 Crores). (Refer Note 40)

Notes to the Financial Statements

for the year ended 31st March 2021

21 REVENUE FROM OPERATIONS

₹ Crores

Particulars	2020-21	2019-20
Revenue from contracts with customers		
Sale of products (Refer Note 21.3)	1,816.62	1,767.14
Other operating revenue		
(a) Scrap Sales	2.06	1.93
(b) Government Grant and Incentives (including export benefits)	11.82	24.05
Total	**1,830.50**	**1,793.12**

Notes :

21.1 Refer note 35 for geography wise revenue from contracts with customers.

21.2 The Company has evaluated the impact of COVID-19 resulting from (i) the possible constraints to continue its operations and revisions in costs to fulfill the pending obligations (ii) onerous obligations (iii) penalties, if any, relating to breaches of agreements and (iv) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID-19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

21.3 Sale of products includes sale to subsidiary company ₹ 264.35 Crores (2019-20: ₹ 206.41 Crores). (Refer Note 40)

22 OTHER INCOME

₹ Crores

Particulars	2020-21	2019-20
(a) Interest Income		
- On Financial Assets at Amortised Cost (Refer Note 22.1)	1.06	2.18
- On Non Financial assets	2.08	0.22
(b) Other Non - Operating Income		
Profit / (Loss) on sale/retirement of Property, Plant and Equipment (Net)	(1.35)	(1.48)
Liabilities no longer required written back	0.03	0.81
Foreign exchange differences (Net)	0.82	1.40
Commission received (Refer Note 22.2)	0.26	0.03
Others (Refer Note 22.3)	2.97	2.35
(c) Other gains and losses		
Net gain/(loss) arising on financial assets mandatorily measured at Fair Value through Profit & Loss (Preference shares)	(1.47)	(0.15)
Total	**4.40**	**5.36**

Notes :

22.1 Includes ₹ 0.09 Crores (2019-20: ₹ 1.7 Crores) interest on overdue receivable from step down subsidiaries. (Refer Note 40)

22.2 Includes ₹ 0.26 Crores (2019-20: ₹ 0.03 Crores) guarantee commission receivable from step down subsidiaries (Refer Note 40)

22.3 Others includes interest subvention, refund received, etc.

23 COST OF MATERIALS CONSUMED

₹ Crores

Particulars	2020-21	2019-20
(a) Raw materials	1,188.34	1,112.33
(b) Packing materials	59.61	54.31
Total	**1,247.95**	**1,166.64**

24 PURCHASE OF STOCK-IN-TRADE

₹ Crores

Particulars	2020-21	2019-20
(a) Purchase of Stock-in-trade	10.38	9.83
Total	**10.38**	**9.83**

Notes to the Financial Statements

for the year ended 31st March 2021

25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE

₹ Crores

Particulars	2020-21	2019-20
Opening Stock :		
Finished goods	50.66	68.85
Work-in-process	41.10	43.54
Stock-in-trade	6.53	7.95
	98.29	**120.34**
Less: Closing Stock :		
Finished goods	88.80	50.66
Work-in-process	53.76	41.10
Stock-in-trade	6.00	6.53
	148.56	**98.29**
Net (increase) / decrease in inventory	**(50.27)**	**22.05**

26 EMPLOYEE BENEFITS EXPENSES

₹ Crores

Particulars	2020-21	2019-20
(a) Salaries and wages, including bonus	93.00	80.73
(b) Contribution to provident and other funds	7.17	6.39
(c) Workmen and staff welfare expenses	5.53	7.25
Total	**105.70**	**94.37**

27 FINANCE COSTS

₹ Crores

Particulars	2020-21	2019-20
(a) Interest expense	7.32	15.13
(b) Other borrowing cost (Refer Note 27.2)	1.05	1.77
Total	**8.37**	**16.90**

Notes :

27.1 The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 5.96% (2019-2020: 8.73%)

27.2 Finance Cost during current year includes Interest on lease liabilities amounting to ₹ 0.77 Crores (2019-20: ₹ 0.86 Crores).

27.3 Finance Cost includes interest cost to subsidiary company ₹ NIL (2019-20: ₹ 0.02 Crores). (Refer Note 40)

28 DEPRECIATION, AMORTISATION AND IMPAIRMENT EXPENSES

₹ Crores

Particulars	2020-21	2019-20
(a) Depreciation on Property, Plant and Equipment	36.90	35.38
(b) Amortisation of Other Intangible Assets	1.97	1.71
(c) Amortisation of Right to use Asset	3.71	2.85
(d) Impairment of Property, Plant and Equipment (Refer Note 2.5)	7.22	-
Total	**49.80**	**39.94**

Notes to the Financial Statements

for the year ended 31st March 2021

29 OTHER EXPENSES

₹ Crores

Particulars	2020-21	2019-20
Power and fuel	42.47	46.09
Water charges	1.14	1.13
Repairs and maintenance	15.23	14.41
Consumption of stores, spares & consumables	12.39	11.23
Rates and taxes	1.77	1.69
Insurance	7.61	7.86
Freight and forwarding	84.87	71.04
Travelling and conveyance	6.41	10.13
Discount and commission on sales	1.42	0.78
Bad Debts and allowance for Doubtful Debts	0.35	0.16
Royalty	0.18	0.14
"REACH "registration expenses (Net)	0.29	3.63
CSR expenditure (Refer Note 37)	4.10	3.32
Donations	0.03	0.03
Directors' sitting fees	0.61	0.62
Commission to non-executive directors	0.72	0.72
Rent (including storage charges)	2.26	3.28
Legal and professional fees (Refer Note 29.1)	15.97	14.01
Miscellaneous expenses	25.83	28.78
Total	**223.65**	**219.05**

Note :

29.1 Legal & Professional fees include :

(a) Amounts paid/payable to Statutory Auditors :

₹ Crores

Particulars	2020-21	2019-20
Audit fees	0.70	0.70
Certification Charges	0.05	0.05
Other services	0.18	0.29
Out of pocket expenses	0.03	0.02
Total	**0.96**	**1.06**

(b) Amounts paid/payable to Cost Auditors :

₹ Crores

Particulars	2020-21	2019-20
Audit fees	0.05	0.05
Out of pocket expenses *	-	-
Total	**0.05**	**0.05**

* Figures are less than ₹ 50,000 during F.Y. 2019-20

Notes to the Financial Statements

for the year ended 31st March 2021

30 INCOME TAX RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS

₹ Crores

Particulars	2020-21	2019-20
Current Tax:		
In respect of current year	62.19	57.95
In respect of prior years	0.04	0.17
	62.23	**58.12**
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	(0.77)	(1.03)
Adjustments due to changes in tax rates	-	(9.43)
In respect of prior years	-	(0.14)
	(0.77)	**(10.60)**
Total income tax expense	**61.46**	**47.52**

31 INCOME TAX RECOGNISED/(CREDITED) IN OTHER COMPREHENSIVE INCOME

₹ Crores

Particulars	2020-21	2019-20
Deferred tax related to items recognised in Other Comprehensive Income during the year:		
Remeasurement of defined benefit obligations	(0.42)	(0.60)
Adjustment due to change in Tax Rates	-	0.41
	(0.42)	**(0.19)**
Classification of income tax recognised in Other Comprehensive Income:		
Income taxes related to items that will not be reclassified to profit or loss	(0.42)	(0.19)
	(0.42)	**(0.19)**

32 EARNING PER SHARE (EPS)

₹ Crores

Particulars	2020-21	2019-20
Profit for the year (₹ Crores)	177.86	182.18
Weighted average number of Ordinary (Equity) Shares used in computing basic & diluted EPS	35,454,752	35,454,752
Basic/Diluted Earnings per share (₹) (Face value of ₹ 10 per share)	50.17	51.38

33 THE RECONCILIATION OF ESTIMATED INCOME TAX EXPENSE AT TAX RATE TO INCOME TAX EXPENSE REPORTED IN STATEMENT OF PROFIT OR LOSS IS AS FOLLOWS:

₹ Crores

Particulars	2020-21	2019-20
Profit before tax	239.32	229.70
Applicable Income tax rate	25.17%	25.17%
Expected income tax expense	60.23	57.81
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
- Impact of change in rates on Opening Deferred Tax	-	(9.43)
- Effect of expenses/provision not deductible in determining taxable profit	1.04	0.48
- Impact on account of reversal of deferred tax liability created on fair value gain of preference shares (not taxable in current year under Income Tax act)	-	(2.58)
- Impact on account of prior years taxation	0.04	0.03
- Other Differences	0.15	1.21
Reported income tax expense	**61.46**	**47.52**

Notes to the Financial Statements

for the year ended 31st March 2021

34 THE AMOUNT AND EXPIRY DATE OF UNUSED CAPITAL LOSSES FOR WHICH NO DEFERRED TAX ASSET IS RECOGNISED IN THE BALANCE SHEET

₹ Crores

Assessment Year	2021	2020	Available Up to A.Y.
2016-17	3.99	3.99	2024-25
2020-21	12.32	12.32	2028-29

35 SEGMENT INFORMATION

The operating segments have been reported in a manner consistent with the internal reporting provided to the Board of Directors, who are the Chief Operating Decision Makers. They are responsible for allocating resources and assessing the performance of operating segments. Accordingly, the reportable segments is only one segment i.e. home and personal care ingredients.

Revenue from Type of Product and Services

There is only one operating segment of the Company which is based on nature of product. Hence the revenue from external customers shown under geographical information is representative of revenue based on product and services.

Geographical Information

₹ Crores

Particulars	2020-21			2019-20		
	India	Overseas	Total	India	Overseas	Total
Revenue From External Customers	907.75	908.87	1,816.62	861.77	905.37	1,767.14
Non Current Assets*	616.06	-	616.06	583.58	-	583.58

* includes property plant and equipments, right of use asset, other intangible assets, capital work-in-progress, Income Tax Assets (net) and other non-financial non-current assets.

Information about major customers

During the year ended 31st March, 2021 and 31st March, 2020 respectively, Revenue from transaction with a single external customer did not amount to 10% or more of the company's revenue from external customers.

36 DETAILS OF RESEARCH & DEVELOPMENT

Research and Development expenses for the year amount to ₹ 13.00 Crores (2019-20: ₹ 14.75 Crores) debited to the Statement of Profit & Loss.

37 DETAILS OF CSR EXPENDITURE

The details of Expenditure incurred on Corporate Social Responsibility (CSR) activities are as below:

₹ Crores

Particulars	In Cash	Yet to be Paid	Total
I. Gross amount required to be spent by the Company during the year	-	-	4.07
II. Amount spent during the year on:			
a. Construction/acquisition of any asset	-	-	-
b. On purpose other than above	4.01	0.09	4.10

There is no unspent amount to be deposited in specified fund of Schedule VII under section 135(5) of the Companies Act, 2013.

38 CONTINGENT LIABILITY AND COMMITMENTS

(A) Contingent liability

₹ Crores

Particulars	2020-21	2019-20
(a) Corporate guarantees given to bank in connection with borrowings by subsidiary company	36.55	37.84
(b) Claims against the Company not acknowledged as debts comprise of claims disputed by the Company relating to issues of applicability, classification, deductibility, etc. (Refer Note below)		
- Excise duty & Service tax	5.58	2.82
- Income tax	0.97	0.97
- Sales tax	6.41	6.93
- Custom duty	8.16	8.16

Note :

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

Notes to the Financial Statements

for the year ended 31st March 2021

(B) Commitments

Estimated amount of contracts remaining to be executed of Property, Plant & Equipments (net of advances) and not provided for ₹ 28.24 Crores (2019-2020: - ₹ 46.06 Crores).

Estimated amount of contracts remaining to be executed of Other Intangible assets (net of advances) and not provided for ₹ 0.77 Crores (2019-2020: - ₹ 1.09 Crores).

39 DISCLOSURE PURSUANT TO SECTION 186 (4) OF THE COMPANIES ACT, 2013

a. Investments made

The same are classified under respective heads. Refer Note 5.

b. Guarantees/Securities given

The same are classified under respective heads for purposes of guarantees given for loan availments from banks by subsidiaries/ associate Companies. Refer Note 40.

c. Loans given

There are no inter corporate loans given.

40 RELATED PARTY DISCLOSURES :

(a) Related parties where control exists :

Subsidiaries :

Sr. No.	Name of the Company	Sr. No.	Name of the Company
1	Galaxy Chemicals Inc.	4	Rainbow Holdings GmbH
2	Galaxy Holdings (Mauritius) Limited	5	Tri-K Industries Inc.
3	Galaxy Chemicals (Egypt) S.A.E.		

(b) Other parties with whom transactions have taken place during the year:

(i) Key Management Personnel (KMP)

Sr. No.	Name of the Person	Relation	Relative Name
1	Mr. U. Shekhar Managing Director	Wife	Mrs. Lakshmi Shekhar
		Son	Mr. Karthik Shekhar
		Daughter	Ms. Nandini Shekhar
		Brother	Mr. Shridhar Unnathan
2	Mr. K. Natarajan Executive Director & Chief Operating Officer	Wife	Mrs. Parvathy Natarajan
		Daughter	Ms. Pavithra Natarajan
		Daughter	Ms. Namrata Natarajan
3	Mr. K. Ganesh Kamath Executive Director (Finance) & Chief Financial Officer		

(ii) Enterprise over which KMP is able to exercise significant influence :

Sr. No.	Name of the Company	Sr. No.	Name of the Company
1	Galaxy Emulsifiers Private Limited	5	Galaxy Estates & Holdings [Partnership Firm]
2	Galaxy Finsec Private Limited	6	Galaxy Investments [Partnership Firm]
3	Osmania Traders Private Limited	7	Shubh Estates & Properties [Partnership Firm]
4	Galaxy Chemicals [Partnership Firm]		

Notes to the Financial Statements

for the year ended 31st March 2021

(c) The related party transactions are as under :

₹ Crores

Sr. No.	Nature of Transactions	Subsidiary Company		Entities where Key Management Personnel can exercise significant influence		Key Management Personnel		Relatives of Key Management Personnel	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
1	**PURCHASES :**								
	Goods								
	Galaxy Chemicals (Egypt) S.A.E.	3.81	2.08	-	-	-	-	-	-
	TRI-K Industries Inc.	3.19	2.54	-	-	-	-	-	-
2	**SALES :**								
	Goods								
	Galaxy Chemicals (Egypt) S.A.E.	157.93	108.57	-	-	-	-	-	-
	TRI-K Industries Inc.	106.42	97.84	-	-	-	-	-	-
3	**MANAGERIAL REMUNERATION : (Refer Note 40.1)**								
	U. Shekhar								
	Short-term employee benefits (Refer Note 40.2)	-	-	-	-	-	1.86	-	-
	Other Long-term employee benefits	-	-	-	-	0.40	-	-	-
	K. Natarajan								
	Short-term employee benefits	-	-	-	-	1.71	1.86	-	-
	Other Long-term employee benefits	-	-	-	-	0.54	-	-	-
	K. Ganesh Kamath								
	Short-term employee benefits	-	-	-	-	2.85	1.87	-	-
	Other Long-term employee benefits	-	-	-	-	0.57	-	-	-
4	**FINANCE :**								
	Interest Income								
	Galaxy Chemicals (Egypt) S.A.E.	0.09	1.68	-	-	-	-	-	-
	TRI-K Industries Inc.	-	0.02	-	-	-	-	-	-
	Interest Expense								
	TRI-K Industries Inc.	-	0.02	-	-	-	-	-	-
5	**DIVIDENDS DISTRIBUTED :**								
	Galaxy Chemicals	-	-	10.85	13.18	-	-	-	-
	Galaxy Emulsifiers Pvt. Ltd.	-	-	0.76	0.92	-	-	-	-
	U. Shekhar	-	-	-	-	5.92	7.19	-	-
	K. Natarajan	-	-	-	-	0.01	0.02	-	-
	K. Ganesh Kamath	-	-	-	-	0.03	0.03	-	-
	Lakshmi Shekhar	-	-	-	-	-	-	0.18	0.22
	Shridhar Unnathan	-	-	-	-	-	-	0.06	0.08
6	**OTHER TRANSACTIONS :**								
	Guarantee Commission (Other Income)								
	Galaxy Chemicals (Egypt) S.A.E.	0.26	0.03	-	-	-	-	-	-
	Other Expenses								
	Galaxy Chemicals (Egypt) S.A.E.	-	0.30	-	-	-	-	-	-
	TRI-K Industries Inc.	0.03	0.30	-	-	-	-	-	-
	Reimbursements received/ Receivable from parties								
	Galaxy Chemicals (Egypt) S.A.E.	0.10	0.30	-	-	-	-	-	-
	TRI-K Industries Inc.	0.05	0.27	-	-	-	-	-	-

Notes to the Financial Statements

for the year ended 31st March 2021

₹ Crores

Sr. No.	Nature of Transactions	Subsidiary Company		Entities where Key Management Personnel can exercise significant influence		Key Management Personnel		Relatives of Key Management Personnel	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
7	**OUTSTANDINGS :**								
	Payable								
	Galaxy Chemicals (Egypt) S.A.E.	0.51	0.26	-	-	-	-	-	-
	TRI-K Industries Inc.	1.49	2.31	-	-	-	-	-	-
	Receivable								
	Galaxy Chemicals (Egypt) S.A.E.	30.33	17.80	-	-	-	-	-	-
	TRI-K Industries Inc.	6.99	9.32	-	-	-	-	-	-
	Investments								
	Galaxy Chemicals Inc. (Equity Share)	0.46	0.46	-	-	-	-	-	-
	Galaxy Holdings (Mauritius) Ltd (Equity Share)	2.37	2.37						
	Galaxy Holdings (Mauritius) Ltd (Preference Share at Fair value)	213.88	215.35	-	-	-	-	-	-
	Loans and Advances								
	Galaxy Chemicals (Egypt) S.A.E.	0.09	0.71	-	-	-	-	-	-
	TRI-K Industries Inc.	0.10	0.21	-	-	-	-	-	-
8	**GUARANTEES GIVEN ON BEHALF OF SUBSIDIARIES**								
	Galaxy Chemicals (Egypt) S.A.E.	36.55	37.84	-	-	-	-	-	-

All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.

Notes :

40.1 As the liabilities for defined benefit plans are provided on the basis of report of actuary for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

40.2 Figures for the year ended 31st March, 2021 for Key Management Personnel is less than ₹ 50,000.

41 EMPLOYEE BENEFITS

a. Defined contribution plan

The Company makes contributions towards Provident Fund, Employee's State Insurance Corporation (ESIC) for qualifying employees. The Company has recognised ₹ 5.14 Crores (2019-20: ₹ 4.82 Crores) for the year being Company's contribution to Provident Fund and ESIC, as an expense and included in Employee Benefit Expenses in the Statement of Profit and Loss.

b. Defined benefit plan

Gratuity plan

Gratuity is payable to all eligible employees of the Company on separation from the service, in terms of the provisions of the "Gratuity Act, 1972" and employment contracts entered into by the Company. Under the gratuity plan, every employee who has completed at least 5 years of service gets a gratuity at 15 days of last drawn salary for each completed year of service. The Company makes an annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

Through its gratuity plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Interest risk

A decrease in the bond interest rate will increase the plan liability and will decrease the return on the plan's assets.

Notes to the Financial Statements

for the year ended 31st March 2021

Salary risk

The present value of the Gratuity liability is calculated by reference to the estimated future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Investment risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Gratuity as per actuarial valuation

₹ Crores

		Particulars	As at 31st March Funded Plan Gratuity 2021	2020
I	**Expense recognised in the Statement of Profit and Loss for the year**			
	1	Current service cost	1.62	1.21
	2	Interest cost on benefit obligation (net)	0.41	0.36
	3	Net value of remeasurements on the obligation and plan assets	-	-
	4	Past service cost and loss/(gain) on curtailments and settlement	-	-
	5	Total expenses included in employee benefits expense	**2.03**	**1.57**
II	**Recognised in other comprehensive income for the year**			
	1	Actuarial (gains)/ losses arising from changes in financial assumption	(0.04)	1.57
	2	Actuarial (gains)/ losses arising from changes in experience adjustment	1.45	0.74
	3	Actuarial (gains)/ losses arising from changes in demographic adjustment	-	-
	4	Return on plan asset	0.25	0.06
	5	Recognised in other comprehensive income	**1.66**	**2.37**
III	**Change in the present value of defined benefit obligation**			
	1	Present value of defined benefit obligation at the beginning of the year	24.02	19.32
	2	Current service cost	1.62	1.21
	3	Interest cost/(income)	1.64	1.48
	4	Remeasurements (gains)/ losses		
		(I) Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
		(II) Actuarial (gains)/ losses arising from changes in financial assumption	(0.04)	1.57
		(III) Actuarial (gains)/ losses arising from changes in experience adjustment	1.45	0.74
	5	Past Service cost	-	-
	6	Benefits paid	(0.76)	(0.30)
	7	Liabilities assumed/(settled)	-	-
	8	Present value of defined benefit obligation at the end of the year	**27.93**	**24.02**
IV	**Change in fair value of plan assets during the year**			
	1	Fair value of plan assets at the beginning of the year	17.96	14.57
	2	Interest income	1.23	1.12
	3	Contribution by employer	2.14	2.63
	4	Benefits paid	(0.76)	(0.30)
	5	Remeasurements (gains)/ losses		
		(I) Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
		(II) Actuarial (gains)/ losses arising from changes in financial assumption	-	-
		(III) Actuarial (gains)/ losses arising from changes in experience adjustment	-	-
	6	Return on plan assets excluding interest income	(0.25)	(0.06)
	7	Fair value of plan assets at the closing of the year	**20.32**	**17.96**

Notes to the Financial Statements

for the year ended 31st March 2021

₹ Crores

Particulars			As at 31st March Funded Plan Gratuity 2021	2020
V	Net Asset/(Liability) recognised in the Balance Sheet as at			
	1	Present value of defined benefit obligation as at 31st March	27.93	24.02
	2	Fair value of plan assets as at 31st March	20.32	17.96
	3	Surplus/(Deficit)	(7.61)	(6.06)
	4	Current portion of the above	3.33	3.00
	5	Non current portion of the above	4.28	3.06
VI	Actuarial assumptions			
	1	Discount rate	6.85%	6.83%
	2	Attrition rate	Between 15% to 4% based on service of employee	Between 15% to 4% based on service of employee
	3	Average salary escalation rate	7.50%	7.50%
	4	Mortality table used	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
VII	Major Category of Plan Assets as a % of the Total Plan Assets			
	1	Insurer managed funds*	100%	100%
		*In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.		
VIII	The expected contributions to the plan for the next annual reporting period		3.33	3.00
IX	Quantitative sensitivity analysis for significant assumption is as below			
	The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Gratuity obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Gratuity Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.			
	1	Discount rate varied by +1%	25.86	22.20
	2	Discount rate varied by -1%	30.28	26.10
	3	Salary growth rate varied by +1%	30.24	26.06
	4	Salary growth rate varied by -1%	25.86	22.19
	5	Withdrawal rate (W.R.) varied by + 1%	27.79	23.89
	6	Withdrawal rate (W.R.) varied by - 1%	28.05	24.13
X	Maturity profile of defined benefit obligation			
	1	Year 1	1.99	1.30
	2	Year 2	2.68	1.48
	3	Year 3	2.22	2.72
	4	Year 4	3.63	2.01
	5	Year 5	2.09	3.44
	6	Years 6-10	11.52	8.85
	7	11 Years and above	32.06	29.07

The current service cost and net interest cost for the year pertaining to Gratuity expenses have been recognised in "Contribution to Provident and other funds" in the statement of Profit and loss. The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to the Financial Statements

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42 CAPITAL MANAGEMENT

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, customer, creditors and market confidence.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

₹ Crores

Particulars	2020-21	2019-20
Short term debt	88.37	58.03
Long term debt	75.49	131.51
Total	**163.86**	**189.54**
Equity	1,016.82	889.84
Long term debt to equity	0.07	0.15
Total debt to equity	0.16	0.21

43 CATEGORIES OF FINANCIAL INSTRUMENTS

₹ Crores

	Particulars	2020-21	2019-20
A)	**Financial assets**		
a)	**Measured at Amortised Cost**		
i)	Cash and Cash equivalents	11.93	16.91
ii)	Bank Balances other than Cash and Cash Equivalents	12.90	0.74
iii)	Investment in Equity Shares	2.83	2.83
iv)	Loans	6.38	5.86
v)	Trade Receivable	339.55	274.07
vi)	Other Financial Assets	5.36	6.37
	Sub-Total	**378.95**	**306.78**
b)	**Measured at Fair value through Profit and Loss**		
i)	Investment in Preference Shares	213.88	215.35
	Sub-Total	**213.88**	**215.35**
c)	**Derivatives measured at Fair value through Profit and Loss**		
i)	Derivative instruments not designated as hedging instruments	0.38	3.14
	Sub-Total	**0.38**	**3.14**
	Total Financial Assets	**593.21**	**525.27**
B)	**Financial liabilities**		
a)	**Measured at Amortised Cost**		
i)	Non-current Borrowings	53.02	82.99
ii)	Current Borrowings	88.37	58.03
iii)	Lease Liability	7.43	9.37
iv)	Trade Payables	306.54	226.93
v)	Other Financial Liabilities	26.78	55.96
	Sub-Total	**482.14**	**433.28**
b)	**Derivatives instruments measured at Fair value through Profit and Loss**		
i)	Derivative instruments not designated as hedging instruments	-	0.93
	Sub-Total	**-**	**0.93**
	Total Financial liabilities	**482.14**	**434.21**

Notes to the Financial Statements

for the year ended 31st March 2021

44 FINANCIAL RISK MANAGEMENT FRAMEWORK

The company has formulated and implemented a policy on risk management, as approved by the Board, so as to develop an approach to identify, assess and manage the various risks associated with our business activities in a systematic manner. The policy lays down guiding principles on proactive planning for identifying, analysing and mitigating material risks, both external and internal, and covering operational, financial and strategic risks. After risks have been identified, risk mitigation solutions are determined to bring risk exposure levels in line with risk appetite. The Company's risk management policies and systems are reviewed regularly to reflect changes in market conditions and our business activities. The Company's business activities are exposed to a variety of financial risks, namely Credit risk, Liquidity risk, Currency risk, Interest risks and Commodity price risk.

A) Market Risk

The Company's size and operations result in it being exposed to the market risks that arise from its use of financial instruments namely Currency risk, Interest risks and Commodity price risk. These risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below.

a) Interest Rate Risk

Interest rate risk results from changes in prevailing market interest rates, which can cause a change in the fair value of fixed-rate instruments and changes in the interest payments of the variable-rate instruments. Our operations are funded to a certain extent by borrowings. Our current loan facilities carry interest at variable rates as well as fixed rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive cost of funding. To a certain extent we use interest rate swap to minimise the risk.

b) Commodity Risk

The company is exposed to the price risk associated with purchasing of the raw materials. The company typically do not enter into formal long term arrangements with our vendors. Therefore, fluctuations in the price and availability of raw materials may affect the Company's business and results of operations. Management reviews the commodity price risk regularly to avoid material impact on profitability of the company. There are no direct commodity derivatives available to hedge the price risk associated with the major raw material.

c) Currency Risk

The Company is exposed to exchange rate risk as a significant portion of our revenues and expenditure are denominated in foreign currencies. We import certain of our raw materials, the price of which we are required to pay in foreign currency, which is mostly the U.S. Dollar or Euro. Products that we export are paid for in foreign currency, which together acts as a natural hedge. Any appreciation/depreciation in the value of the Rupee against U.S. dollar, Euro or other foreign currencies would Increase/decrease the Rupee value of debtors/ creditors. To a certain extent ,the company uses foreign exchange forward contracts to minimise the risk.

The carrying amount of the company's foreign currency exposure at the end of the reporting period are as follows

In Crores

Particulars	US Dollar	Indian Rupees	Euro	Indian Rupees	Others (Rupees)	Total (Rupees)
As at 31st March, 2021						
Borrowings	(0.04)	(3.27)	(0.03)	(2.36)	-	**(5.63)**
Trade Receivables & Other financial assets	2.25	164.34	0.15	12.89	0.07	**177.30**
Trade Payables & Other financial liabilities	(2.12)	(155.12)	(0.01)	(1.00)	-	**(156.12)**
Total	**0.09**	**5.95**	**0.11**	**9.53**	**0.07**	**15.55**
As at 31st March, 2020						
Borrowings	(0.60)	(45.12)	(0.07)	(5.95)	-	**(51.07)**
Trade Receivables & Other financial assets	1.76	133.25	0.14	11.89	0.15	**145.29**
Trade Payables & Other financial liabilities (Refer Note c.1)	(1.21)	(91.87)	-	(0.09)	(0.02)	**(91.98)**
Total	**(0.05)**	**(3.74)**	**0.07**	**5.85**	**0.13**	**2.24**

Notes to the Financial Statements

for the year ended 31st March 2021

Of the above foreign currency exposures, the unhedged exposures as at the end of the reporting date are as follows.

In Crores

Particulars	US Dollar	Indian Rupees	Euro	Indian Rupees	Others (Rupees)	Total (Rupees)
As at 31st March, 2021						
Borrowings	(0.04)	(3.27)	(0.03)	(2.36)	-	**(5.63)**
Trade Receivables & Other financial assets	1.43	104.46	0.05	4.31	0.07	**108.84**
Trade Payables & Other financial liabilities	(2.12)	(155.12)	(0.01)	(1.00)	-	**(156.12)**
Total	**(0.73)**	**(53.93)**	**0.01**	**0.95**	**0.07**	**(52.91)**
As at 31st March, 2020						
Borrowings	(0.25)	(18.64)	(0.07)	(5.95)	-	**(24.59)**
Trade Receivables & Other financial assets	1.42	107.65	-	-	0.15	**107.80**
Trade Payables & Other financial liabilities (Refer Note c.1)	(1.11)	(84.30)	-	(0.09)	(0.02)	**(84.41)**
Total	**0.06**	**4.71**	**(0.07)**	**(6.04)**	**0.13**	**(1.20)**

Note :

c.1 Figures for the year ended 31st March, 2020 (Euro) is less than 50,000.

B) Credit Risk Management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. The Company's customer base majorly has creditworthy counterparties which limits the credit risk. The company's exposures are continuously monitored and wherever necessary we take advances/LC's to minimise the risk.

a) Trade Receivables and Advances

The Company applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables/Advances. The company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses. Based on such information the company has evaluated that there is no provision required under expected credit loss model. Further, the company reviews on a periodic basis all receivables/advances having commercial/legal issues which require resolution against which specific provisions are made when found necessary.

Reconciliation of loss allowance for Trade Receivables

₹ Crores

Particulars	Year Ended 31st March 2020-21	Year Ended 31st March 2019-20
Balance as at beginning of the year	0.16	-
Additions during the year	0.19	0.16
Amounts written off during the year	(0.16)	-
Balance at end of the year	**0.19**	**0.16**

b) Other Financials Assets

In respect of other financial assets, the maximum exposure to credit risk at the end of the reporting period approximates the carrying amount of each class of financial assets.

C) LIQUIDITY RISK

Liquidity risk management

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure that we have sufficient liquidity or access to funds to meet our liabilities when they are due.

Notes to the Financial Statements

for the year ended 31st March 2021

Maturity profile of financial liabilities

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date

₹ Crores

Particulars	Carrying amount in Balance sheet	Less than 1 Year	2nd and 3rd Year	4th and 5th Year	Above 5 years
As at 31st March, 2021					
Deferral Sales Tax Liability	0.08	0.08	-	-	-
Short term borrowings	88.37	88.37	-	-	-
Long term borrowings	75.41	22.39	41.59	11.43	-
Lease Liability	7.43	2.66	4.77	-	-
Trade payables	306.54	306.54	-	-	-
Other Financial Liabilities	4.31	3.96	-	-	0.35
Total	**482.14**	**424.00**	**46.36**	**11.43**	**0.35**
As at 31st March, 2020					
Deferral Sales Tax Liability	0.28	0.20	0.08	-	-
Short term borrowings	58.03	58.03	-	-	-
Long term borrowings	131.23	48.32	50.50	32.41	-
Lease Liability	9.37	2.28	5.14	1.95	-
Trade payables	226.93	226.93	-	-	-
Other Financial Liabilities	8.37	8.03	-	-	0.34
Total	**434.21**	**343.79**	**55.72**	**34.36**	**0.34**

45 SENSITIVITY ANALYSIS

(A) Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant.

₹ Crores

Particulars	Currency	Change in rate	Effect on Profit Before Tax	Effect on pre-tax equity
Year ended 31st March, 2021	USD	+1%	(0.54)	-
	EUR	+1%	0.01	-
Year ended 31st March, 2020	USD	+1%	0.04	-
	EUR	+1%	(0.08)	-

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

The sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(B) Interest Rate sensitivity

The sensitivity analysis below have been determined based on exposure to interest rate for both long term & short term borrowings. The following table demonstrates the sensitivity in interest rates on that portion of loans and borrowings which are not hedged, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ Crores

Particulars	Currency	Increase in basis points	Effect on profit before tax	Effect on pre-tax equity
Year ended 31st March, 2021	INR	+25 bps	(0.24)	-
Year ended 31st March, 2020	INR	+25 bps	(0.38)	-

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

Notes to the Financial Statements

for the year ended 31st March 2021

46 OFFSETTING OF BALANCES

The Company has not offset financial assets and financial liabilities.

47 COLLATERALS

The Company has long term loans and working capital loans which are secured by hypothecation of current and movable assets and mortgage of immovable properties located at Taloja and specified properties located at Jhagadia & Tarapur.

48 FAIR VALUE DISCLOSURES

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

The fair value of the unquoted preference shares has been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted preference share investments. The Company engages external, independent and qualified valuers to determine the fair value of the preference shares investment.

There were no transfers between Level 1 and Level 2 during the year.

Financial Instruments regularly measured using Fair Value - recurring Items							Applicable for Level 2 and Level 3 hierarchy	For Level 3 hierarchy valuation	
Particulars	Fair Value				Fair value hierarchy	Valuation technique(s)	Key inputs	Significant unobservable input(s) for level 3 hierarchy	Relationship of unobservable inputs to fair value and sensitivity
	Financial assets/ financial liabilities	Category	2021	2020					
1) Derivatives - foreign exchange forward contracts and Interest rate swaps	Financial assets	Financial instruments measured at FVTPL	0.38	3.14	Level 2	Discounted Cash Flow	The fair values of the derivative financial instruments have been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.	-	-
	Financial Liabilities		-	0.93					
2) Investment in Preference shares-unquoted	Financial Assets	Financial instruments mandatorily required to be measured at FVTPL	213.88	215.35	Level 3	Discounted Cash Flow	Future cashflow at a discount rate derived by considering 3 factors i.e. yield to maturity, hedging cost and country specific risk.	Future Cashflow and discounting rate	Any increase/decrease in discount rates by 0.5% will result in 2.4% increase/ decrease in the preference shares value. Any change (increase/ decrease) in the future cash-flows would entail corresponding change in the preference shares value.

Notes to the Financial Statements

for the year ended 31st March 2021

49 FINANCIAL INSTRUMENTS NOT MEASURED USING FAIR VALUE I.E. MEASURED USING AMORTIZED COST

₹ Crores

Particulars	Carrying Value	Fair value (Level 2)
As at 31st March, 2021		
Financial liabilities held at Amortised Cost		
Deferral Sales Tax Liability	0.08	0.08
Total	**0.08**	**0.08**
As at 31st March, 2020		
Financial liabilities held at Amortised Cost		
Deferral Sales Tax Liability	0.28	0.26
Total	**0.28**	**0.26**

Except for the above, carrying value of Other financial assets/liabilities represent reasonable estimate of fair value.

50 RECONCILIATION OF LEVEL 3 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

₹ Crores

Particulars	Investment in Preference shares- unquoted
Opening balance as on 1st April, 2019	253.63
Total fair value recognised:	
– in profit & loss under other income	(0.15)
Matured during the year	(38.13)
Closing balance as on 31st March, 2020	**215.35**
Opening balance as on 1st April, 2020	**215.35**
Total incomes/ gains or losses recognised:	
– in profit & loss under other income	(1.47)
Closing balance as on 31st March, 2021	**213.88**

51 IND-AS YET TO BE NOTIFIED

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2021.

52 The figures for the previous year have been regrouped/reclassified wherever necessary to conform to the current year's presentation.

For and on behalf of the Board

U. SHEKHAR
Managing Director
DIN: 00265017

K. NATARAJAN
Executive Director & COO
DIN: 07626680

K. GANESH KAMATH
Executive Director
Finance & CFO
DIN: 07767220

N. KETKAR
Company Secretary

Place: Navi Mumbai
Date: June 8, 2021

Independent Auditor's Report

To The Members of Galaxy Surfactants Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Galaxy Surfactants Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements / financial information of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report including Annexures to Directors' report, Management Discussion and Analysis Report, Business Responsibility Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities 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 the independent auditors. For the entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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

We did not audit the financial statements / financial information of 4 subsidiaries, whose financial statements / financial information reflect total assets of ₹ 715.10 Crores as at March 31, 2021, total revenues of ₹ 886.76 Crores and net cash (outflows) amounting to ₹ (2.63) Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the branch auditors and other auditors and the financial statements / financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements/ financial information of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Parent, none of the directors of the Parent is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Parent.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; or

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent.

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

Kedar Raje
(Partner)
(Membership No. 102637)
(UDIN: 21102637AAAACF6911)

Place: Pune
Date: June 08, 2021

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph f under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Galaxy Surfactants Limited (hereinafter referred to as "Parent", as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Parent, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Parent's internal financial controls 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Parent's internal financial controls 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 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 company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS 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 Parent, has, 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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Kedar Raje
(Partner)
(Membership No. 102637)
(UDIN: 21102637AAAACF6911)

Place: Pune
Date: June 08, 2021

Global Supplier to Global Brands

Consolidated Balance Sheet

as at 31st March 2021

₹ Crores

Particulars	Note	2021	2020
I. ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	2	591.70	623.90
(b) Right of use Asset	3	111.86	115.70
(c) Capital Work-in-Progress		123.95	65.99
(d) Goodwill		2.65	2.75
(e) Other Intangible Assets	4	5.70	5.48
(f) Financial Assets			
(i) Loans	5	8.42	7.74
(ii) Other Financial Assets	6	0.73	0.75
(g) Deferred Tax Assets (Net)	7	0.65	0.11
(h) Income Tax Assets (Net)		11.16	15.88
(i) Other Non-Current Assets	8	34.97	38.67
Total Non-Current Assets		**891.79**	**876.97**
Current Assets			
(a) Inventories	9	427.81	325.03
(b) Financial Assets			
(i) Investments	10	43.45	5.78
(ii) Trade Receivables	11	468.92	439.39
(iii) Cash and Cash Equivalents	12	81.51	47.70
(iv) Bank Balances other than Cash and Cash Equivalents	12	29.87	6.52
(v) Loans	5	0.57	0.44
(vi) Other Financial Assets	6	5.63	6.83
(c) Other Current Assets	8	99.92	103.29
Total Current Assets		**1,157.68**	**934.98**
Total Assets		**2,049.47**	**1,811.95**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13A	35.45	35.45
(b) Other Equity	13B	1,265.96	1,032.30
Total Equity attributable to owners of the Company		**1,301.41**	**1,067.75**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	77.39	116.63
(ii) Lease Liabilities	15	16.85	19.68
(iii) Other Financial Liabilities	16	0.35	0.34
(b) Provisions	17	10.08	13.78
(c) Deferred Tax Liabilities (Net)	18	23.30	24.12
(d) Other Non-current Liabilities	19	-	0.43
Total Non-Current Liabilities		**127.97**	**174.98**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	160.04	202.96
(ii) Lease Liabilities	15	4.37	3.89
(iii) Trade Payables			
(a) Total outstanding dues of Micro and Small Enterprises	21	7.51	4.36
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	21	369.45	268.77
(iv) Other Financial Liabilities	16	35.96	62.49
(b) Provisions	17	8.56	3.86
(c) Current Tax Liabilities (Net)		1.21	5.18
(d) Other Current Liabilities	19	32.99	17.71
Total Current Liabilities		**620.09**	**569.22**
Total Equity And Liabilities		**2,049.47**	**1,811.95**

The accompanying notes 1 to 52 are an integral part of the Financial Statements

In terms of our report attached

Deloitte Haskins & Sells LLP
Chartered Accountants

KEDAR RAJE
Partner

Place : Pune
Date : June 8, 2021

For and on behalf of the Board

U. SHEKHAR
Managing Director
DIN: 00265017

K. NATARAJAN
Executive Director & COO
DIN: 07626680

K. GANESH KAMATH
Executive Director
Finance & CFO
DIN : 07767220

N. KETKAR
Company Secretary

Place : Navi Mumbai
Date : June 8, 2021

Consolidated Statement of Profit and Loss

for the year ended 31st March 2021

₹ Crores

Particulars	Note	2020-21	2019-20
Revenue from operations	22	2,784.06	2,596.38
Other Income	23	10.86	5.92
Total Income		**2,794.92**	**2,602.30**
Expenses			
Cost of materials consumed	24	1,792.59	1,635.39
Purchases of Stock-in-trade	25	58.39	46.15
Changes in inventories of finished goods, stock-in-trade and work-in-progress	26	(76.43)	33.78
Employee benefits expense	27	204.04	178.10
Finance costs	28	13.42	23.80
Depreciation, amortisation and impairment expenses	29	73.95	62.19
Other expenses	30	356.64	334.05
Total Expenses		**2,422.60**	**2,313.46**
Profit before exceptional items and tax		**372.32**	**288.84**
Exceptional Items		-	-
Profit before tax		**372.32**	**288.84**
Tax Expense			
Current Tax	31	71.08	61.34
Deferred Tax charge / (credit)	31	(0.90)	(2.91)
Total Tax Expenses		**70.18**	**58.43**
Profit for the year		**302.14**	**230.41**
Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss :			
Remeasurements of the defined benefit plans		(1.66)	(2.37)
(ii) Income tax relating to items that will not be reclassified to profit or loss	32	0.42	0.19
B. (i) Items that will be reclassified to profit or loss :			
Exchange differences in translating the financial statements of foreign operations		(17.60)	35.46
Total Other Comprehensive Income		**(18.84)**	**33.28**
Total Comprehensive Income for the year		**283.30**	**263.69**
Earnings per equity share :			
(Face value ₹ 10 per share)			
Basic (₹)	33	85.22	64.99
Diluted (₹)	33	85.22	64.99

The accompanying notes 1 to 52 are an integral part of the Financial Statements

In terms of our report attached

Deloitte Haskins & Sells LLP
Chartered Accountants

KEDAR RAJE
Partner

Place : Pune
Date : June 8, 2021

For and on behalf of the Board

U. SHEKHAR
Managing Director
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Executive Director
Finance & CFO
DIN : 07767220

N. KETKAR
Company Secretary

Place : Navi Mumbai
Date : June 8, 2021

Consolidated Statement of Changes in Equity

for the year ended 31st March 2021

A) EQUITY SHARE CAPITAL

₹ Crores

Particulars	2021	2020
Issued and Subscribed :		
Balance as at the beginning of the year	35.45	35.45
Balance as at the end of the year	**35.45**	**35.45**

B) OTHER EQUITY

₹ Crores

Particulars	Reserves and Surplus				Items of Other comprehensive income	Total Other Equity
	Capital Reserve on consolidation	Securities Premium	General Reserve	Retained Earnings	Foreign Currency translation Reserve	
Balance as at 31st March, 2019	**3.11**	**0.20**	**26.38**	**797.88**	**13.71**	**841.28**
Profit for the year	-	-	-	230.41	-	230.41
Other Comprehensive Income / (Loss) (Net of tax expenses)	-	-	-	(2.18)	35.46	33.28
Total Comprehensive Income for the year	**-**	**-**	**-**	**228.23**	**35.46**	**263.69**
Dividend on Equity Shares	-	-	-	(10.64)	-	(10.64)
Dividend Distribution Tax	-	-	-	(2.19)	-	(2.19)
Interim Dividend	-	-	-	(49.64)	-	(49.64)
Interim Dividend Distribution Tax	-	-	-	(10.20)	-	(10.20)
Balance as at 31st March, 2020	**3.11**	**0.20**	**26.38**	**953.44**	**49.17**	**1,032.30**
Profit for the year	-	-	-	302.14	-	302.14
Other Comprehensive Income / (Loss) (Net of tax expenses)	-	-	-	(1.24)	(17.60)	(18.84)
Total Comprehensive Income for the year	**-**	**-**	**-**	**300.90**	**(17.60)**	**283.30**
Interim Dividend	-	-	-	(49.64)	-	(49.64)
Balance as at 31st March, 2021	**3.11**	**0.20**	**26.38**	**1,204.70**	**31.57**	**1,265.96**

Notes :

B.1: During the year ended March 31, 2021, the Board of Directors at its meeting held on 8th February, 2021 has approved interim dividend of ₹ 14 per share (140% of the face value of the equity share of face value of ₹ 10 each) amounting to ₹ 49.64 Crores.

Details of Dividend proposed :

₹ Crores

Particulars	2021	2020
Dividend per share (In ₹)	4.00	-
Dividend proposed on Equity Shares	14.18	-
Total Dividend proposed	**14.18**	**-**

The accompanying notes 1 to 52 are an integral part of the Financial Statements

In terms of our report attached

Deloitte Haskins & Sells LLP
Chartered Accountants

KEDAR RAJE
Partner

Place : Pune
Date : June 8, 2021

For and on behalf of the Board

U. SHEKHAR
Managing Director
DIN: 00265017

K. NATARAJAN
Executive Director & COO
DIN: 07626680

K. GANESH KAMATH
Executive Director
Finance & CFO
DIN : 07767220

N. KETKAR
Company Secretary

Place : Navi Mumbai
Date : June 8, 2021

Consolidated Cash Flow Statement

for the year ended 31st March 2021

₹ Crores

Particulars		2020-21	2019-20
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Profit After Tax	**302.14**	**230.41**
	Adjustments for :		
	Income tax expenses	70.18	58.43
	Finance costs	13.42	23.80
	Interest income	(5.23)	(1.54)
	Interest subvention income	(0.71)	(1.60)
	Defered income from Export Promotion Capital Goods Scheme (EPCG)	(0.03)	(0.03)
	Loss/(Gain) on sale/retirement of Property, Plant and Equipment (Net)	1.36	1.52
	Depreciation, amortisation and impairment expenses	73.95	62.19
	Net foreign exchange differences (gain)/loss	(0.11)	(0.15)
	Allowance for doubtful debts and advances	0.35	1.40
	Liabilities no longer required written back	(1.15)	(1.42)
		152.03	**142.60**
	Operating Profit before Working Capital changes	**454.17**	**373.01**
	Changes in :		
	Trade receivables & Other Assets	(30.10)	3.15
	Inventories	(107.77)	38.26
	Trade payables & Other Liabilities	119.30	(30.01)
		(18.57)	**11.40**
	Cash generated from operations	**435.60**	**384.41**
	Income Taxes Paid (net of refunds)	(70.55)	(68.56)
	NET CASHFLOWS FROM OPERATING ACTIVITIES	**365.05**	**315.85**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Interest received	4.75	1.49
	Payments for Property, Plant & Equipment and intangible assets	(107.55)	(141.60)
	Proceeds from disposal of Property, Plant & Equipment	0.27	0.21
	Purchase of Current Investments	(38.43)	(5.41)
	(Increase)/ Decrease in Earmarked balances with banks (net)	(0.31)	(0.08)
	Bank Deposits placed	(23.41)	(5.39)
	NET CASHFLOWS USED IN INVESTING ACTIVITIES	**(164.68)**	**(150.78)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Proceeds from long term borrowings	-	77.84
	Repayment of long term borrowings	(56.89)	(60.69)
	Proceeds from/(Repayment of) short term borrowings (net)	(38.20)	39.00
	Payment of Lease Liabilities	(5.22)	(83.38)
	Dividend paid on equity shares	(49.49)	(93.96)
	Interest paid	(15.15)	(22.63)
	NET CASHFLOWS USED IN FINANCING ACTIVITIES	**(164.95)**	**(143.82)**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**35.42**	**21.25**
	OPENING CASH AND CASH EQUIVALENTS	**47.70**	**25.03**
	Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	(1.61)	1.42
	CLOSING CASH AND CASH EQUIVALENTS	**81.51**	**47.70**

Note:

The above cash flow statement has been prepared under the "Indirect method" as set out in Indian Accounting Standard (IND AS) 7 - "Statement of Cash flows".

The accompanying notes 1 to 52 are an integral part of the Financial Statements

In terms of our report attached

Deloitte Haskins & Sells LLP
Chartered Accountants

KEDAR RAJE
Partner

Place : Pune
Date : June 8, 2021

For and on behalf of the Board

U. SHEKHAR
Managing Director
DIN: 00265017

K. NATARAJAN
Executive Director & COO
DIN: 07626680

K. GANESH KAMATH
Executive Director
Finance & CFO
DIN : 07767220

N. KETKAR
Company Secretary

Place : Navi Mumbai
Date : June 8, 2021

Notes to the Consolidated Financial Statements

for the year ended 31st March 2021

1.(A) CORPORATE INFORMATION

The Consolidated financial statements comprise of financial statements of Galaxy Surfactants Ltd. ("the Parent") and its subsidiaries (collectively, the Group) for the year ended 31st March 2021.

The Parent is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The address of its registered office is disclosed in the introduction to the Annual Report.

The Group is engaged in manufacturing of surfactants and other specialty ingredients for the personal care and home care industries. The products of the group find application in a host of consumer-centric personal care and home care products, including, inter alia, skin care, oral care, hair care, cosmetics, toiletries and detergent products.

The Equity shares of the Parent are listed on the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE") in India.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The outbreak of Covid-19 pandemic has disrupted the economic activity globally and in India. The Group has considered internal and external sources of information while finalising various estimates for these financial statements up-to the date of approval of these financial statements by the Board of Directors. Given the uncertainties associated with its nature and duration, the actuals may differ from the estimates considered in these financial statements. The Group will continue to closely monitor any changes in future economic conditions and assess its impact on the operations.

(B) SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

The Consolidated financial statements of the Group for the year ended 31st March, 2021 were approved for issue in accordance with a resolution of the Board of Directors in its meeting held on 8th June, 2021.

b) Basis of preparation and presentation

The financial statements are prepared in accordance with the historical cost basis, except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

c) Basis of Consolidation

The Consolidated financial statements incorporate the financial statements of the Group.

Subsidiaries

Subsidiaries are entities over which the group has control. Subsidiaries are consolidated on a line-by-line basis from the date the control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or

Notes to the Consolidated Financial Statements

for the year ended 31st March 2021

received is recognised directly in equity and attributed to owners of the Company.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. These financial statements are prepared by applying uniform accounting policies in use at the Group.

The principal accounting policies are set out below

d) Revenue Recognition:

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns & Goods and Service Tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Other Income

Dividend income from investments is recognised when the shareholder's right to receive dividend has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition

e) Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, decommissioning costs, if any and interest on borrowings attributable to acquisition of qualifying asset up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance and cost can be measured reliably

Machinery spares that meet the definition of property, plant and equipment are capitalised.

Property, Plant and Equipment that are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Projects are carried at cost comprising of direct cost and related incidental expenses and attributable borrowing costs, if any.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation on these assets commences when assets are ready for their intended use which is generally on commissioning. Items of Property Plant and Equipment are depreciated in a manner that amortises the cost of the assets after commissioning less its residual value, over their useful lives as specified in Schedule II of the Act on a straight line basis, other than the following asset classes, based on Group's expected usage pattern supported by technical assessment.

Useful lives

- Certain Plant and Machinery: 5-10 years
- Certain Furniture and Fixtures: 7-10 years
- Certain Computers & Softwares: 3-5 years
- Certain Buildings: 10-39 years
- Certain Vehicles: 8-10 years
- Freehold Land is not depreciated

Depreciation on additions/deletions during the year is provided on pro-rata basis from/up to the date of such addition/deletion.

Property, Plant and Equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

f) Goodwill and Intangible Assets:

Goodwill is initially recognised as the excess of the acquirer's interest in the net fair value of the identifiable net assets of acquired business. Subsequent to initial measurement, goodwill is measured at cost less accumulated impairment, if any. Goodwill is allocated to the cash-generating unit which is expected to benefit from the business combination.

Intangible assets are initially recognised at cost unless acquired in a business combination on or after the transition date (1st April, 2016) in which case it is recognised at their acquisition date fair value.

Intangible assets other than Goodwill and intangibles with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives so as to reflect the pattern in which the assets economic benefits are consumed. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The amortisation of intangible asset is included in Depreciation and Amortisation expense in the Statement of Profit and Loss

Software:

The expenditure incurred is amortised over the five years equally commencing from the date of acquisition.

Technical Know-how:

The expenditure incurred on Technical Know-how is amortised over the estimated period of benefit, not exceeding Ten years commencing from the date of acquisition.

Customer Relationships:

The expenditure incurred is amortised over the five years equally commencing from the date of acquisition.

Research & Development:

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical and economic feasibility and marketability has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, Plant and Equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment.

g) Inventories:

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and bought out components are valued at the lower of cost or net realisable value. Cost is determined on the basis of the weighted average method.

Finished goods produced and purchased for sale, manufactured components and work-in-progress are carried at cost or net realisable value whichever is lower.

Stores, spares and tools other than obsolete and slow moving items are carried at cost. Obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

h) Leases:

The Group as a lessee

The Group's lease asset classes primarily comprise of lease for land and building. The Group assesses whether contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the

Notes to the Consolidated Financial Statements

for the year ended 31st March 2021

period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 Group recognizes the lease payments as an operating expense over the term of the lease.

The Right of use Assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right of use Assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at 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 liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a Lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

i) Foreign exchange transactions and translations:

Transactions in foreign currencies i.e. other than the Company's functional currency of Indian Rupees are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on revaluation are recognised in the Statement of Profit and Loss in the period in which they arise.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income in the statement of changes in equity after attribution to non-controlling interests as appropriate.

On the disposal of a foreign operation i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to the Statement of Profit and Loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in the Statement of Profit and Loss.

j) Employee Benefits:

Employee benefits include provident fund, employee state insurance scheme, social security, 401K plan, gratuity and compensated absences.

Defined contribution plans

The Group's contribution to provident fund, social security, 401K plan and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Service cost and net interest expenses or income is recognised in the Statement of Profit and Loss. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to the Statement of Profit and Loss.

Short term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Long term Compensated absences

The employees of the Group are entitled to compensated absences for which the Group records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

k) Borrowing Costs:

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

- Borrowing costs that are attributable to the acquisition or construction of qualifying tangible and intangible assets that necessarily take a substantial period of time to get ready for their intended use, which are capitalised as part of the cost of such assets.
- Expenses incurred on raising long term borrowings are amortised using effective interest rate method over the period of borrowings.

Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

l) Taxes on Income

Taxes on income comprises of current taxes and deferred taxes.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the applicable tax regulations. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognised on temporary differences, being differences between the carrying amount of assets and liabilities and corresponding tax bases used in the computation of taxable profit. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

m) Impairment of Assets:

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment

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exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate pre-tax discount rate to determine whether there is any indication that those assets have suffered any impairment loss. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

n) Provisions and Contingent Liabilities:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material, provision is carried at the present value of the cash flows required to settle the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

o) Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

p) Financial instruments, Financial assets, Financial liabilities and Equity instruments:

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the relevant instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through Profit and Loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit and Loss are recognised immediately in the Statement of Profit and Loss.

Classification and subsequent measurement

Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification

On initial recognition, a financial asset is classified as measured at -

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) ; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

All financial asset not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Any gain and loss on derecognition is recognised in the Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

For equity investments, the Group makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in Other Comprehensive Income and accumulated in the reserves. The cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purposes. Upon the application of Ind AS 109, the Group has chosen to designate these investments as at FVTOCI as the Group believes that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in the Statement of Profit and Loss. Dividend income received on such equity investments are recognised in the Statement of Profit and Loss.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in the Statement of Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

Financial liabilities and equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is

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recognised at the proceeds received, net of directly attributable transaction costs.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

Compound instruments

An issued financial instrument that comprises of both the liability and equity components are accounted as compound financial instruments. The fair value of the liability component is separated from the compound instrument and the residual value is recognised as equity component of financial instrument. The liability component is subsequently measured at amortised cost, whereas the equity component is not remeasured after initial recognition. The transaction costs related to compound instruments are allocated to the liability and equity components in the proportion to the allocation of gross proceeds. Transaction costs related to equity component is recognised directly in equity and the cost related to liability component is included in the carrying amount of the liability component and amortised using effective interest method.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Financial guarantee contracts and loan commitments

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts and loan commitments issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Impairment of financial assets

The Group applies the expected credit loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables, the Group measures the loss allowance at an amount equal to lifetime expected credit losses. For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month

ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

q) Dividend Distribution

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

r) Derivative contracts:

The Group uses derivative financial instruments such as foreign exchange forward contracts and interest rate swaps to hedge its foreign currency risks which are not designated as hedges. All derivative contracts are marked-to-market and losses/gains are recognised in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

s) Use of Estimates and judgement:

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed at the end of each reporting period. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting judgements and key source of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property, plant and equipment and intangible assets

As described in the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Useful lives of intangible assets is determined on the basis of estimated benefits to be derived from use of such intangible assets. These reassessments may result in change in the depreciation /amortisation expense in future periods.

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value at each balance sheet date or at the time they are assessed for impairment. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities require estimates to be made by the management and are disclosed in the notes to the financial statements.

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Actuarial Valuation

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the financial statements.

t) Business Combinations:

The Group accounts for its business combinations under acquisition method of accounting. The acquirer's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date. The difference between the fair value of the purchase consideration paid together with non-controlling interest on acquisition date and the fair value of net assets acquired is recognised as goodwill or capital reserve on acquisition. The excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed is recognised as goodwill. Any shortfall is recognised as capital reserve on consolidation.

u) Fair value measurement:

The Group measures certain financial instruments at fair value at each reporting date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability also reflects its non-performance risk.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in the Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

While measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

v) Earnings per share

- Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

- For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

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2 PROPERTY, PLANT AND EQUIPMENT

₹ Crores

Particulars	Freehold Land	Leasehold Improvements	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
(I) Cost								
Balance as at 31st March, 2019	**2.72**	**5.58**	**228.24**	**677.45**	**23.14**	**5.98**	**29.04**	**972.15**
Add : Additions during the year	-	-	43.26	106.19	1.81	1.04	4.33	**156.63**
Less : Disposals/Adjustments during the year	-	-	-	29.09	0.46	0.33	0.85	**30.73**
Add/Less : Foreign exchange translation differences	0.26	0.53	7.64	19.73	0.45	0.02	0.73	**29.36**
Balance as at 31st March, 2020	**2.98**	**6.11**	**279.14**	**774.28**	**24.94**	**6.71**	**33.25**	**1,127.41**
Add : Additions during the year	-	-	4.97	33.93	0.97	0.22	4.69	**44.78**
Less : Disposals/Adjustments during the year	-	4.78	0.21	16.13	0.01	0.18	3.31	**24.62**
Add/Less : Foreign exchange translation differences	(0.10)	(0.21)	(4.26)	(9.94)	(0.20)	(0.02)	(0.34)	**(15.07)**
Balance as at 31st March, 2021	**2.88**	**1.12**	**279.64**	**782.14**	**25.70**	**6.73**	**34.29**	**1,132.50**
(II) Accumulated depreciation								
Balance as at 31st March, 2019	**-**	**4.85**	**69.52**	**344.45**	**17.44**	**2.55**	**22.12**	**460.93**
Add : Depreciation expense for the year	-	0.18	9.70	40.74	1.58	0.62	2.91	**55.73**
Less : Disposals/Adjustments during the year	-	-	-	27.61	0.43	0.14	0.82	**29.00**
Add/Less : Foreign exchange translation differences	-	0.47	2.74	11.60	0.37	0.01	0.66	**15.85**
Balance as at 31st March, 2020	**-**	**5.50**	**81.96**	**369.18**	**18.96**	**3.04**	**24.87**	**503.51**
Add : Depreciation expense for the year	-	0.14	11.02	42.34	1.59	0.66	3.35	**59.10**
Add : Impairment expense for the year (Refer Note 2.5)	-	-	0.57	6.54	0.09	-	0.02	**7.22**
Less : Disposals/Adjustments during the year	-	4.85	0.04	13.98	-*	0.18	3.29	**22.34**
Add/Less : Foreign exchange translation differences	-	(0.12)	(1.19)	(4.94)	(0.15)	(0.01)	(0.28)	**(6.69)**
Balance as at 31st March, 2021	**-**	**0.67**	**92.32**	**399.14**	**20.49**	**3.51**	**24.67**	**540.80**
Net carrying amount(I-II)								
Balance as at 31st March, 2020	**2.98**	**0.61**	**197.18**	**405.10**	**5.98**	**3.67**	**8.38**	**623.90**
Balance as at 31st March, 2021	**2.88**	**0.45**	**187.32**	**383.00**	**5.21**	**3.22**	**9.62**	**591.70**

Notes:

2.1 Buildings include shares being the value of shares in Co-operative housing Society of ₹ -* (2019-20: ₹ -*)

2.2 The amount of borrowing costs incurred during the year and capitalised is ₹ Nil (2019-20: ₹ 0.41 Crores)

₹ Crores

Particulars	2021	2020
Buildings	-	0.08
Plant & Equipment	-	0.33

2.3 The amount of expenditure (other than borrowing cost) recognised in the carrying amount of property, plant and equipment in the course of construction is ₹ 0.10 Crores (2019-20: ₹ 4.36 Crores) out of which ₹ Nil (2019-20: ₹ 2.31 Crores) is incurred in current year.

2.4 Term loans from banks of parent Company are secured by first pari passu charge created by mortgage of immovable properties located at Taloja and specified properties located at Jhagadia & Tarapur.

2.5 The Parent Company has provided for impairment of assets at one of its facilities at Tarapur location. The facility was established in 1984 and the civil structures and some of the other assets are nearing its useful life. The Parent Company has identified such assets and has conservatively provided for the same by way of impairment. The operations at the said facility had been suboptimal for the past 2 years and we do not expect the said suspension to have any material impact on the operations of the Group. The amount provided for impairment is ₹ 7.22 Crores.

*Figures less than ₹ 50,000

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3 RIGHT OF USE ASSET

₹ Crores

Particulars		Building/ Premises	Land*	Total
(I)	**Cost**			
	Balance as at 31st March, 2019	**-**	**-**	**-**
	Add : Reclassified on account of adoption of Ind AS 116 "Leases"	-	18.95	**18.95**
	Add : Transition impact on account of adoption of Ind AS 116 "Leases"	26.47	-	**26.47**
	Add : Additions during the year	0.30	78.12	**78.42**
	Less : Deductions/Adjustments during the year	0.11	-	**0.11**
	Add/Less : Foreign exchange translation differences	-	-	**-**
	Balance as at 31st March, 2020	**26.66**	**97.07**	**123.73**
	Add : Additions during the year (Refer Note 3.2)	2.07	0.09	**2.16**
	Less : Deductions/Adjustments during the year	-	-	**-**
	Add/Less : Foreign exchange translation differences	(0.52)	-	**(0.52)**
	Balance as at 31st March, 2021	**28.21**	**97.16**	**125.37**
(II)	**Accumulated amortisation**			
	Balance as at 31st March, 2019	**-**	**-**	**-**
	Add : Reclassified on account of adoption of Ind AS 116 "Leases"	-	3.21	**3.21**
	Add : Depreciation expense for the year	4.42	0.27	**4.69**
	Less : Deductions/Adjustments during the year	-	-	**-**
	Add/Less : Foreign exchange translation differences	0.13	-	**0.13**
	Balance as at 31st March, 2020	**4.55**	**3.48**	**8.03**
	Add : Depreciation expense for the year	4.51	1.06	**5.57**
	Less : Deductions/Adjustments during the year	-	-	**-**
	Add/Less : Foreign exchange translation differences	(0.09)	-	**(0.09)**
	Balance as at 31st March, 2021	**8.97**	**4.54**	**13.51**
	Net carrying amount(I-II)			
	Balance as at 31st March, 2020	**22.11**	**93.59**	**115.70**
	Balance as at 31st March, 2021	**19.24**	**92.62**	**111.86**

Note:

3.1 The depreciation expenses of Right of use Asset have been included under 'Depreciation, amortization and impairment expenses' in the Statement of Profit and Loss.

3.2 Addition during the year include modification amounting to ₹ 1.71 Crs (2019-20 : Nil).

*The net block of Leasehold land of ₹ 15.74 crores (Gross block - ₹ 18.95 crores and accumulated depreciation - ₹ 3.21 crores) has been reclassified to Right of use Asset on account of adoption of Ind AS 116 "Leases".

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4 OTHER INTANGIBLE ASSETS

₹ Crores

Particulars	Computer Software	Technical Know How	Trademarks	Customer Relationships	Total
(I) Cost					
Balance as at 31st March, 2019	**13.62**	**0.30**	**1.67**	**7.67**	**23.26**
Add : Additions during the year	2.24	-	-	-	**2.24**
Less : Deductions/Adjustments during the year	0.03	-	-	-	**0.03**
Add/Less : Foreign exchange translation differences	0.38	-	0.16	0.72	**1.26**
Balance as at 31st March, 2020	**16.21**	**0.30**	**1.83**	**8.39**	**26.73**
Add : Additions during the year	2.29	-	-	-	**2.29**
Less : Deductions/Adjustments during the year	0.02	-	-	-	**0.02**
Add/Less : Foreign exchange translation differences	(0.16)	-	(0.06)	(0.29)	**(0.51)**
Balance as at 31st March, 2021	**18.32**	**0.30**	**1.77**	**8.10**	**28.49**
(II) Accumulated amortisation					
Balance as at 31st March, 2019	**8.77**	**0.13**	**1.67**	**7.67**	**18.24**
Add : Amortisation expense for the year	1.75	0.03	-	-	**1.78**
Less : Deductions/Adjustments during the year	0.03	-	-	-	**0.03**
Add/Less : Foreign exchange translation differences	0.38	-	0.16	0.72	**1.26**
Balance as at 31st March, 2020	**10.87**	**0.16**	**1.83**	**8.39**	**21.25**
Add : Amortisation expense for the year	2.03	0.03	-	-	**2.06**
Less : Deductions/Adjustments during the year	0.02	-	-	-	**0.02**
Add/Less : Foreign exchange translation differences	(0.15)	-	(0.06)	(0.29)	**(0.50)**
Balance as at 31st March, 2021	**12.73**	**0.19**	**1.77**	**8.10**	**22.79**
Net carrying amount(I-II)					
Balance as at 31st March, 2020	**5.34**	**0.14**	**-**	**-**	**5.48**
Balance as at 31st March, 2021	**5.59**	**0.11**	**-**	**-**	**5.70**

Note:

4.1 The amortization expense of other intangible assets have been included under 'Depreciation, amortization and impairment expense' in the Statement of Profit and Loss.

5. LOANS

₹ Crores

Particulars	2021		2020	
	Current	Non-Current	Current	Non-Current
Financial assets at Amortised cost :				
A) Security Deposits				
- Unsecured, considered good	0.24	8.13	0.27	7.45
B) Other Loans (Employees)				
- Unsecured, considered good	0.33	0.29	0.17	0.29
Total	**0.57**	**8.42**	**0.44**	**7.74**

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6. OTHER FINANCIAL ASSETS

₹ Crores

Particulars	2021 Current	2021 Non-Current	2020 Current	2020 Non-Current
Financial assets at Amortised Cost: (Considered Good, unless otherwise stated)				
Advances				
- Considered Good	4.68	-	3.15	-
Bank Deposit (Refer Note 6.1)	0.10	0.62	-	0.64
Interest accrued	0.47	-	0.46	-
Other financial assets	-	0.11	0.08	0.11
	5.25	**0.73**	**3.69**	**0.75**
Derivatives financial instruments not designated as hedging instruments carried at Fair value through Profit and Loss				
Derivative Financial instruments	0.38	-	3.14	-
Total	**5.63**	**0.73**	**6.83**	**0.75**

Note :

6.1 Bank Deposit (Non-Current) are under lien amounting to ₹ 0.29 Crores (2019-20 : ₹ 0.30 Crores).

7 DEFERRED TAX ASSETS / (LIABILITIES) (NET)

₹ Crores

Particulars	On Fiscal allowances on fixed assets	On Provision for employee benefits	On Others*	Total
Deferred tax (liabilities)/ assets as at 1st April, 2019	**1.03**	**0.59**	**3.24**	**4.86**
(Charge) / credit to Statement of Profit and Loss	(4.43)	(0.14)	(0.20)	**(4.77)**
Foreign currency translation difference	(0.21)	0.05	0.18	**0.02**
Deferred tax (liabilities)/ assets as at 31st March, 2020	**(3.61)**	**0.50**	**3.22**	**0.11**
(Charge) / credit to Statement of Profit and Loss	0.05	0.69	(0.24)	**0.50**
Foreign currency translation difference	0.13	(0.03)	(0.06)	**0.04**
Deferred tax (liabilities)/ assets as at 31st March, 2021	**(3.43)**	**1.16**	**2.92**	**0.65**

*Others mainly include deferred tax on inventory reserve.

8. OTHERS ASSETS (NON FINANCIAL)

₹ Crores

Particulars	2021 Current	2021 Non-Current	2020 Current	2020 Non-Current
Capital Advance	-	20.11	-	12.82
	-	**20.11**	**-**	**12.82**
Advances other than capital advances				
Balance with government authorities	57.45	14.57	58.95	25.22
Prepaid Expenses	6.37	0.32	6.74	0.63
Other Advance (Refer Note 8.1)				
- Considered Good	25.78	-	23.35	-
	89.60	**14.89**	**89.04**	**25.85**
Less: Allowance for Doubtful Advances	-	0.03	-	-
	89.60	**14.86**	**89.04**	**25.85**
Export Incentives receivable	10.32	-	14.25	-
Total	**99.92**	**34.97**	**103.29**	**38.67**

Note:

8.1 Other advances mainly include Advances to suppliers, etc.

Notes to the Consolidated Financial Statements

for the year ended 31st March 2021

9 INVENTORIES (LOWER OF COST AND NET REALISABLE VALUE)

₹ Crores

Particulars	2021	2020
Raw Materials [Including in transit of ₹ 40.26 Crores (2019-20 : ₹ 27.14 Crores)]	142.34	117.65
Packing Material	9.29	10.10
Work-in-Progress	75.27	59.41
Finished Products	121.20	71.79
Stock-in-Trade [Including in transit of ₹ 4.27 Crores (2019-20 : ₹ 2.11 Crores)]	52.95	44.99
Consumables, Stores and Spares [Including in transit of ₹ 0.56 Crores (2019-20 : Nil)]	26.76	21.09
Total	**427.81**	**325.03**

Notes:

9.1 The cost of Inventories recognised as an expense during the year was ₹ 2,108.54 Crores (2019-20 : ₹ 1,986.24 Crores).

9.2 The cost of Inventories recognised as an expense includes ₹ 3.45 Crores (2019-20 : ₹ 1.78 Crores) in respect of write downs of inventory to net realisable value, and has been reduced by ₹ 1.31 Crores (2019-20 : ₹ 1.41 Crores) in respect of the reversal of such write downs. Previous write downs have been reversed as a result of internal consumption as well as sale of products.

9.3 The Group has availed credit facilities from banks which are secured interalia by hypothication of inventories.

9.4 The mode of valuation of inventories is stated in subnote (g) of Note 1B.

9.5 The Group determines the realisable value of inventory based on the latest selling prices, customer orders on hand and margins, adjusted to reflect current and estimated future economic conditions also taking into account estimates of possible effect from the pandemic relating to COVID-19.

10 CURRENT INVESTMENTS

₹ Crores

Particulars	2021	2020
Investments carried at Amortised Cost		
Quoted		
Treasury bills (Refer Note 10.1)	43.45	5.78
Total	**43.45**	**5.78**

Note :

10.1 Treasury bills (T-bills) are under lien amounting to ₹ 12.15 Crs (2019-20 : ₹ 5.78 Crs).

11 TRADE RECEIVABLES

₹ Crores

Particulars	2021	2020
Unsecured, considered good	468.92	439.39
Unsecured, considered doubtful (Refer Note 11.1)	0.32	1.49
	469.24	440.88
Less : Allowance for expected credit loss (Refer Note 11.1)	0.32	1.49
Total	**468.92**	**439.39**

Notes:

11.1 Also refer note no. 44(B) for disclosure related to Credit risk, Impairement of trade receivable under Expected Credit Loss and related disclosures.

11.2 The Group has availed certain credit facilities from banks which are secured by hypothication of Trade Receivables.

11.3 The Group has considered subsequent recoveries, past trends, credit risk profiles of the customers based on their industry, macroeconomic forecasts and internal and external information available to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

Notes to the Consolidated Financial Statements

for the year ended 31st March 2021

12 CASH AND BANK BALANCES

₹ Crores

Particulars	2021	2020
Cash and cash equivalents		
Balances with banks		
- Current Accounts	25.19	34.09
- Savings Accounts	51.12	8.41
- Fixed Deposits with original maturity less than 3 months	5.00	5.00
	81.31	**47.50**
Cheques, drafts on hand		
Cash on hand	0.20	0.20
Total Cash and cash equivalents	**81.51**	**47.70**
Bank balances other than cash and cash equivalents		
Earmarked balances with banks (Refer Note 12.1)	0.90	0.74
Fixed deposit account with original maturity more than 3 months but less than12 months (Refer Note 12.2)	28.82	5.78
Margin Account Balance (Refer Note 12.3)	0.15	-
Total Other Bank balances	**29.87**	**6.52**

Note:

12.1 Earmarked Balances with Banks represents amount set aside for payment of dividend and interest.

12.2 Financial Year 2019-20 Fixed Deposits were under lien.

12.3 Margin Account Balance represents cash cover against letter of credit.

13A EQUITY SHARE CAPITAL

Particulars	2021	2020
Authorised:		
5,00,00,000 Equity Shares of ₹ 10 each	50.00	50.00
(Previous Year: 5,00,00,000 Equity Shares of ₹ 10 each)		
	50.00	**50.00**
Issued, Subscribed and Paid Up :		
3,54,54,752 Equity Shares of ₹ 10 each, fully paid-up.	35.45	35.45
(Previous Year: 3,54,54,752 Equity Shares of ₹ 10 each, fully paid-up)		
	35.45	**35.45**

A. Reconciliation of number of Ordinary (Equity) Shares and amount outstanding :

Particulars	2021		2020	
	No. of Shares	Rupees in Crores	No. of Shares	Rupees in Crores
Issued and Subscribed :				
Balance as at the beginning of the year	35,454,752.00	35.45	35,454,752.00	35.45
Balance as at the end of the year	**35,454,752.00**	**35.45**	**35,454,752.00**	**35.45**

B. Rights, Preferences and Restrictions attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. The Equity shares of the company rank pari-passu in all respects including voting rights and entitlement to dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to the Consolidated Financial Statements

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C. Details of Ordinary (Equity) Shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the Shareholder	2021		2020	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Unnathan Shekhar, Gopalkrishnan Ramakrishnan, Shashikant R. Shanbhag & Late Sandhya Patil* as Partners of M/s Galaxy Chemicals	7,752,850.00	21.87	7,752,850.00	21.87
Unnathan Shekhar	4,226,740.00	11.92	4,226,740.00	11.92
Late Sandhya Patil *	4,106,040.00	11.58	4,106,040.00	11.58
Shashikant R. Shanbhag	4,097,684.00	11.56	4,097,684.00	11.56
Gopalkrishnan Ramakrishnan	2,362,783.00	6.66	2,362,758.00	6.66
Jayashree Ramakrishnan	1,842,972.00	5.20	1,842,972.00	5.20
SBI Mutual Fund	2,414,587.00	6.81	2,412,587.00	6.80
	26,803,656.00	**75.60**	**26,801,631.00**	**75.59**

*Mrs. Sandhya Patil expired on April 25, 2019. The shares held by her as well as registered in her name as a partner of Galaxy Chemicals are in the process of transmission to legal heirs.

As per the records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding the beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

13B OTHER EQUITY

₹ Crores

Particulars	2021	2020
Securities Premium Reserve	0.20	0.20
General Reserve	26.38	26.38
Capital Reserve on consolidation	3.11	3.11
Retained Earnings	1,204.70	953.44
Item of Other Comprehensive Income		
Foreign currency translation reserve	31.57	49.17
Total	**1,265.96**	**1,032.30**

Description of the nature and purpose of Other Equity

Securities Premium: This Reserve represents the premium on issue of equity shares received and can be utilized in accordance with the provisions of the Companies Act, 2013.

General Reserve: This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized by the Company in accordance with the provisions of the Companies Act, 2013.

Capital reserve on consolidation: This Reserve represents the difference between value of the net assets transferred to the Group in the course of business combinations and the consideration paid for such combinations.

Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

Notes to the Consolidated Financial Statements

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14 NON-CURRENT BORROWINGS

₹ Crores

Particulars	2021	2020
Carried at Amortised Cost :		
Secured :		
Term Loan From Banks (Refer note 14.1 & 14.2)	77.39	116.55
Total Secured Borrowings	**77.39**	**116.55**
Unsecured:		
Deferral Sales Tax Liability (Refer note 14.3)	-	0.08
Total Unsecured Borrowings	-	0.08
Total	**77.39**	**116.63**

Current maturities in respect of long term borrowings have been included in Note 16 as under :

₹ Crores

Particulars	2021	2020
Term Loan From Banks	30.52	52.52
Deferral Sales Tax Liability	0.08	0.20
Total	**30.60**	**52.72**

Notes:

14.1 Term loans from banks are secured by first pari passu charge created by mortgage of immovable properties located at Taloja, specified properties located at Jhagadia & Tarapur and hypothecation of present & future movable assets, and by second pari passu charge created by hypothecation of current assets, both present and future.

Term loans from Banks in relation to a subsidiary company are secured by a corporate guarantee given by the Ultimate Holding Company and lien over fixed deposit with bank equivalent to three months' interest amount.

14.2 TERMS FOR SECURED BORROWINGS:

Term loan outstanding as at year end	Rate of Interest* (p.a.)	Repayment Terms
Indian Rupee Loans		
Term Loan ₹ Nil (2020: ₹ 1.07 Crores)	3M MCLR + 0.60%	20 Quarterly installments of ₹ 1.07 Crores each with moratorium of 18 months commencing from April 2017
Term Loan ₹ Nil (2020: ₹ 9.98 Crores)	PLR - 3.75%	12 Quarterly installments of ₹ 2.5 crores each with a moratorium of 8 quarters from the date of first disbursement commencing from 30th June 2018
Term Loan ₹ 21.66 Crores (2020: ₹ 35 Crores)	PLR - 3.75%	12 Quarterly installments of ₹ 2.92 Crores starting from November 2020
Term Loan ₹13.75 Crores (2020: ₹ 18.75 Crores)	3M MCLR + 0.60%	20 Quarterly installments of ₹ 1.25 Crores starting from March 2019 till December 2023
Term Loan ₹ 40 Crores (2020: ₹ 40 Crores)	6M T Bill + 3.10 %	14 Quarterly installments of ₹ 2.86 Crores Each with a moratorium of 18 months from 20th Feb 2020
Foreign Currency Loans		
Term Loan ₹ Nil (2020: ₹ 26.43 Crores)	3M LIBOR +1.90%	10% each at the end of every 6 months from the date of disbursement & 20% at the end of 60 months commenced from June 2016
Term Loan of ₹ 32.49 Crores (2020: ₹ 37.84 Crores)	6M LIBOR + 2.25%	18 Quarterly installments of USD 0.03 Crores each starting from December 2020

* PLR - Prime Lending Rate T Bill - Treasury Bill LIBOR - London Interbank Offered Rate MCLR - Marginal Cost of Funds based Lending Rate

Notes to the Consolidated Financial Statements

for the year ended 31st March 2021

14.3 Deferral sales-tax liability denotes interest-free sales tax deferral under 'The Package Schemes of Incentives of 1988 and 1993' formulated by the Government of Maharashtra. Sales tax deferral liability under the 1988 Scheme is repayable after 12 years in 6 annual installments and in case of 1993 Scheme after 10 years in 5 annual installments from the initial date of deferment of liability.

15 LEASE LIABILITIES

₹ Crores

Particulars	2021		2020	
	Current	Non-Current	Current	Non-Current
Lease Liabilities	4.37	16.85	3.89	19.68
Total	**4.37**	**16.85**	**3.89**	**19.68**

15.1 The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The following is the movement in lease liabilities during the year :

₹ Crores

Particulars	2021	2020
Opening Balance	**23.57**	**-**
Transition impact on account of adoption of Ind AS 116 "Leases"	-	25.91
Add : Additions	2.10	0.30
Add : Finance cost accrued during the period	1.26	1.39
Less : Deletions	-	0.11
Less : Payment of lease liabilities	5.22	4.82
Add/Less : Foreign Exchange Translation Difference	(0.49)	0.90
Closing Balance	**21.22**	**23.57**

16 OTHER FINANCIAL LIABILITIES

₹ Crores

Particulars	2021		2020	
	Current	Non Current	Current	Non Current
Carried at Amortised Cost:				
Current maturities of long-term borrowings (Refer Note 14.1 & 14.2)	30.52	-	52.52	-
Current maturities of Deferral Sales Tax Liability (Refer Note 14.3)	0.08	-	0.20	-
Interest accrued on borrowings	0.37	-	1.01	-
Unclaimed dividends (Refer Note 16.2)	0.86	-	0.71	-
Unclaimed matured deposits and interest accrued thereon (Refer Note 16.3)	-	-	-	-
Security Deposits	0.03	0.35	0.02	0.34
Other liabilities (Refer Note 16.1)	4.10	-	7.10	-
	35.96	**0.35**	**61.56**	**0.34**
Derivatives financial instruments not designated as hedging instruments carried at Fair value through Profit and Loss				
Derivative financial instruments	-	-	0.93	-
	-	-	0.93	-
Total	**35.96**	**0.35**	**62.49**	**0.34**

Notes:

16.1 Other liabilities mainly include capital creditors, etc.

16.2 There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as the year end.

16.3 Unclaimed matured deposits and interest accrued thereon (current) is less than ₹ 50,000.

Notes to the Consolidated Financial Statements

for the year ended 31st March 2021

17 PROVISIONS

₹ Crores

Particulars	2021		2020	
	Current	Non Current	Current	Non Current
Provision for Employee Benefits				
Compensated Absences	2.06	5.80	0.86	10.72
Gratuity	3.33	4.28	3.00	3.06
Claims Payable (Refer Note 17.1)	3.17	-	-	-
Total	**8.56**	**10.08**	**3.86**	**13.78**

Note :

17.1 Movement of Claims Payable is as below:

₹ Crores

Particulars	2021		2020	
	Current	Non Current	Current	Non Current
Opening Balance	-	-	-	-
Add - Addition during the year	3.17	-	-	-
Less - Deduction during the year	-	-	-	-
Total Closing Balance	**3.17**	**-**	**-**	**-**

The Group has made provision for claims based on its assessment of the amount it estimates to incur to meet such obligations, the outflow of which would depend on settlement / conclusion of these matters or cessation of the respective events.

18 DEFERRED TAX LIABILITIES / (ASSETS) (NET)

₹ Crores

Particulars	On Fiscal allowances on fixed assets	On Provision for employee benefits	On Others	Total
Deferred tax liabilities/ (assets) As at 1st April, 2019	**39.62**	**(6.36)**	**(1.28)**	**31.98**
Charge/ (credit) to Statement of Profit and Loss	(9.67)	2.26	(0.27)	(7.68)
Charge/ (credit) to Other comprehensive income	-	(0.18)	-	(0.18)
Deferred tax liabilities/ (assets) As at 31st March, 2020	**29.95**	**(4.28)**	**(1.55)**	**24.12**
Charge/ (credit) to Statement of Profit and Loss	(1.71)	0.97	0.34	(0.40)
Charge/ (credit) to Other comprehensive income	-	(0.42)	-	(0.42)
Deferred tax liabilities/ (assets) As at 31st March, 2021	**28.24**	**(3.73)**	**(1.21)**	**23.30**

19 OTHER NON FINANCIAL LIABILITIES

₹ Crores

Particulars	2021		2020	
	Current	Non Current	Current	Non Current
Advances received from customers	23.93	-	12.18	-
Others (Refer note no 19.1)	9.06	-	5.50	-
Deferred revenue income under EPCG scheme	-	-	0.03	0.43
Total	**32.99**	**-**	**17.71**	**0.43**

Notes:

19.1 Others mainly include government dues & taxes payable, salary deductions payable, etc.

Notes to the Consolidated Financial Statements

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20 CURRENT BORROWINGS

₹ Crores

Particulars	2021	2020
Secured (Carried at Amortised Cost) :		
Working Capital Loan		
Packing credit loan from banks (Refer Notes 20.1)	88.37	58.03
Bank Overdraft (Refer Notes 20.2)	71.67	144.93
Total	**160.04**	**202.96**

Notes:

Secured Borrowings :

20.1 Packing credit loan from banks are secured by first pari passu charge created by hypothecation of current assets, both present & future, and second pari passu charge created by mortgage of immovable properties located at Taloja, specified properties located at Jhagadia & Tarapur and hypothecation of present and future movable assets.

20.2 Bank overdrafts in respect of subsidiary companies are secured by insurance policies on the inventories.

20.3 Rate of Interest for loans ranges from 1.50% p.a. to 8.25% p.a.

21 TRADE PAYABLES

₹ Crores

Particulars	2021	2020
Carried at Amortised Cost		
Total outstanding dues of Micro and Small Enterprises (Refer Note 21.1)	7.51	4.36
Total outstanding dues of creditors other than Micro and Small Enterprises	369.45	268.77
Total	**376.96**	**273.13**

Note:

21.1 The information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. No interest in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 or otherwise has either been paid or payable or accrued and remaining unpaid as at 31st March 2021.

22 REVENUE FROM OPERATIONS

₹ Crores

Particulars	2020-21	2019-20
Revenue from contracts with customers		
Sale of products	2,745.35	2,563.28
Other operating revenue		
(i) Scrap Sales	2.20	1.93
(ii) Government Grant and Incentives (including export benefits)	36.51	31.17
Total	**2,784.06**	**2,596.38**

Notes:

22.1 Refer note 36 for geography wise revenue from contracts with customers.

22.2 The Group has evaluated the impact of COVID-19 resulting from (i) the possible constraints to continue its operations and revisions in costs to fulfill the pending obligations (ii) onerous obligations (iii) penalties, if any, relating to breaches of agreements and (iv) termination or deferment of contracts by customers. The Group has concluded that the impact of COVID-19 is not material based on these estimates. Due to the nature of the pandemic, the Group will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

Notes to the Consolidated Financial Statements

for the year ended 31st March 2021

23 OTHER INCOME

₹ Crores

Particulars		2020-21	2019-20
(a)	**Interest Income**		
	- On Financial Assets at Amortised Cost	3.15	1.32
	- On Non Financial assets	2.08	0.22
(b)	**Other Non - Operating Income**		
	Gain/(Loss) on sale/retirement of Property, Plant and Equipment (Net)	(1.36)	(1.52)
	Liabilities/Provision no longer required written back	1.15	1.42
	Foreign exchange differences (Net)	2.44	1.90
	Commission received (Refer Note 23.2)	0.01	-
	Others (Refer Note 23.1)	3.39	2.58
	Total	**10.86**	**5.92**

Notes:

23.1 Other income includes interest subvention, refund receivable, etc.

23.2 Figure for the year ended 31st March, 2020 is less than 50,000.

24 COST OF MATERIALS CONSUMED

₹ Crores

Particulars	2020-21	2019-20
(a) Raw materials	1,729.51	1,578.12
(b) Packing materials	63.08	57.27
Total	**1,792.59**	**1,635.39**

25 PURCHASES OF STOCK-IN-TRADE

₹ Crores

Particulars	2020-21	2019-20
(a) Purchases of Stock-in-trade	58.39	46.15
Total	**58.39**	**46.15**

26 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ Crores

Particulars	2020-21	2019-20
Opening Stock :		
Finished goods	71.79	86.51
Work-in-process	59.41	57.74
Stock-in-trade	44.99	57.60
	176.19	**201.85**
Less: Closing Stock :		
Finished goods	121.20	71.79
Work-in-process	75.27	59.41
Stock-in-trade	52.95	44.99
	249.42	**176.19**
Foreign currency translation difference	(3.20)	8.12
Net (increase) / decrease in inventory	**(76.43)**	**33.78**

Notes to the Consolidated Financial Statements

for the year ended 31st March 2021

27 Employee Benefits Expenses

₹ Crores

Particulars	2020-21	2019-20
(a) Salaries and wages, including bonus	177.56	150.71
(b) Contribution to provident and other funds	11.96	11.00
(c) Workmen and staff welfare expenses	14.52	16.39
Total	**204.04**	**178.10**

28 FINANCE COSTS

₹ Crores

Particulars	2020-21	2019-20
(a) Interest expense	11.71	21.50
(b) Other borrowing cost (Refer Note 28.2)	1.71	2.30
Total	**13.42**	**23.80**

Note:

28.1 The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 5.96% (2019-2020: 8.73%).

28.2 Finance Cost during current year includes interest on lease liabilities amounting to ₹ 1.26 Crores (2019-20: ₹ 1.39 Crores).

29 DEPRECIATION, AMORTISATION AND IMPAIREMENT EXPENSES

₹ Crores

Particulars	2020-21	2019-20
(a) Depreciation on Property, Plant and Equipment	59.10	55.72
(b) Amortisation of Other Intangible Assets	2.06	1.78
(c) Amortisation of Right to Use Asset	5.57	4.69
(d) Impairment of Property, Plant and Equipment (Refer Note 2.5)	7.22	-
Total	**73.95**	**62.19**

30 OTHER EXPENSES

₹ Crores

Particulars	2020-21	2019-20
Power and fuel	52.69	55.48
Water charges	1.82	1.67
Repairs and maintenance	18.60	17.97
Consumption of stores, spares & consumables	15.83	13.81
Rates and taxes	7.61	5.25
Insurance	12.03	11.70
Freight and forwarding	149.68	120.75
Travelling and conveyance	8.98	18.11
Discount and commission on sales	1.69	1.09
Bad Debts and allowance for Doubtful Debts	0.35	1.40
Royalty	0.18	0.14
"REACH" registration expenses (Net)	2.26	3.86
CSR expenditure (Refer Note 38)	4.10	3.32
Donations	0.09	0.03
Directors' sitting fees	0.61	0.62
Commission to non-executive directors	0.72	0.72
Rent (including storage charges)	11.18	12.57
Legal and professional fees	25.72	22.55
Miscellaneous expenses	42.50	43.01
Total	**356.64**	**334.05**

Notes to the Consolidated Financial Statements

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31 INCOME TAX RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS

₹ Crores

Particulars	2020-21	2019-20
Current Tax:		
In respect of current year	72.87	60.36
In respect of prior years	(1.79)	0.98
	71.08	**61.34**
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	(0.90)	6.66
Adjustments due to changes in tax rates	-	(9.43)
In respect of prior years	-	(0.14)
	(0.90)	**(2.91)**
Total	**70.18**	**58.43**

32 INCOME TAX RECOGNISED/(CREDITED) IN OTHER COMPREHENSIVE INCOME

₹ Crores

Particulars	2020-21	2019-20
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligaitons	(0.42)	(0.60)
Adjustment due to change in Tax Rates	**-**	**0.41**
Total	**(0.42)**	**(0.19)**
Classification of income tax recognised in other comprehensive income:		
Income taxes related to items that will not be reclassified to profit or loss	(0.42)	(0.19)
Total	**(0.42)**	**(0.19)**

33 EARNING PER SHARE (EPS)

₹ Crores

Particulars	2020-21	2019-20
Profit for the year (₹ In Crores)	302.14	230.41
Weighted average number of Ordinary (Equity) Shares used in computing basic & diluted EPS	35,454,752	35,454,752
Basic/Diluted Earnings per share (₹) (Face value of ₹ 10 per share)	85.22	64.99

34 THE RECONCILIATION OF ESTIMATED INCOME TAX EXPENSE AT TAX RATE TO INCOME TAX EXPENSE REPORTED IN THE STATEMENT OF PROFIT AND LOSS IS AS FOLLOWS:

₹ Crores

Particulars	2020-21	2019-20
Profit before tax	372.32	288.84
Applicable Income tax rate	25.17%	25.17%
Expected income tax expense	93.71	72.70
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
- Difference in tax rates of subsidiary companies	(21.20)	(6.67)
- Impact of Change in Rates on Opening Deferred Tax	-	(9.43)
- Effect of concessions and allowances	(1.74)	(1.44)
- Effect of expenses/provision not deductible in determining taxable profit	1.04	0.54
- Impact on account of Prior Years Taxation	(1.79)	0.84
- Others	0.16	1.89
Reported income tax expense	**70.18**	**58.43**

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for the year ended 31st March 2021

35 THE AMOUNT AND EXPIRY DATE OF UNUSED CAPITAL LOSSES FOR WHICH NO DEFERRED TAX ASSET IS RECOGNISED IN THE BALANCE SHEET

₹ Crores

Assessment Year	2020-21	2019-20	Available upto A.Y.
2016-17	3.99	3.99	2024-25
2020-21	12.32	12.32	2028-29

36 SEGMENT INFORMATION

The operating segments have been reported in a manner consistent with the internal reporting provided to the Board of Directors, who are the Chief Operating Decision Makers. They are responsible for allocating resources and assessing the performance of operating segments. Accordingly, the reportable segments is only one segment i.e. home and personal care ingredients.

Revenue from Type of Product and Services

There is only one operating segment of the Group which is based on nature of product. Hence the revenue from external customers shown under geographical information is representative of revenue based on product and services.

Geographical Information

₹ Crores

Particulars	2021			2020		
	India	Overseas	Total	India	Overseas	Total
Revenue From External Customers	907.85	1,837.50	2,745.35	863.29	1,699.99	2,563.28
Non Current Assets*	616.06	265.93	881.99	583.58	284.79	868.37

*includes property plant and equipments, right of use asset, capital working in progress, goodwill, other intangible assets, Income Tax Assets (net) and other non-financial non current assets.

Information about major customers

During the year ended 31st March, 2021 and 31st March, 2020 respectively, Revenue from transaction with a single external customer did not amount to 10% or more of the companies revenue from external customers.

37 DETAILS OF RESEARCH & DEVELOPMENT

Research and Development expenses for the year amount to ₹ 26.89 Crores (2019-20: ₹ 26.87 Crores) debited to the statement of profit & loss.

38 DETAILS OF CSR EXPENDITURE

The details of Expenditure incurred on Corporate Social Responsibility (CSR) activities are as below:

₹ Crores

Particulars		In Cash	Yet to be Paid	Total
I.	**Gross amount required to be spent by the Group during the year**	-	-	4.07
II.	**Amount spent during the year on:**	-	-	-
	a. Construction/acquisition of any asset	-	-	-
	b. On purpose other than above	4.01	0.09	4.10

There is no unspent amount to be deposited in specified fund of Schedule VII under section 135(5) of the Companies Act, 2013.

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39 CONTINGENT LIABILITY AND COMMITMENTS

(A) Contingent liability

₹ Crores

Particulars	2021	2020
Claims against the Group not acknowledged as debts comprise of claims disputed by the group relating to issues of applicability, classification, deductibility, etc.		
– Excise duty & Service tax	5.58	2.82
– Income tax	0.97	0.97
– Sales tax	6.41	6.93
– Custom duty	8.16	8.16

Note:

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

(B) Commitments

Estimated amount of contracts remaining to be executed of Property, Plant & Equipments (net of advances) and not provided for ₹ 30.66 Crores (2019-20: ₹ 47.03 Crores).

Estimated amount of contracts remaining to be executed of Other Intangible assets (net of advances) and not provided for ₹ 0.77 Crores (2019-20: ₹ 1.09 Crores).

40 RELATED PARTY DISCLOSURES :

(a) Related parties where control exists :

(i) Key Management Personnel (KMP)

Sr. No.	Name of the Person	Relation	Relative Name
1	Mr. U. Shekhar Managing Director	Wife	Mrs. Lakshmi Shekhar
		Son	Mr. Karthik Shekhar
		Daughter	Ms. Nandini Shekhar
		Brother	Mr. Shridhar Unnathan
2	Mr. K. Natarajan Executive Director & Chief Operating Officer	Wife	Mrs. Parvathy Natarajan
		Daughter	Ms. Pavithra Natarajan
		Daughter	Ms. Namrata Natarajan
3	Mr. K. Ganesh Kamath Executive Director (Finance) & Chief Financial Officer		

(ii) Enterprise over which KMP is able to exercise significant influence :

Sr. No.	Name of the Company	Sr. No.	Name of the Company
1	Galaxy Emulsifiers Private Limited	5	Galaxy Estates & Holdings [Partnership Firm]
2	Galaxy Finsec Private Limited	6	Galaxy Investments [Partnership Firm]
3	Osmania Traders Private Limited	7	Shubh Estates & Properties [Partnership Firm]
4	Galaxy Chemicals [Partnership Firm]		

Notes to the Consolidated Financial Statements

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(b) The related party transactions are as under :

₹ Crores

Sr. No.	Nature of Transactions	Entities where Key Management Personnel can exercise significant influence		Key Management Personnel		Relatives of Key Management Personnel	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
1	**MANAGERIAL REMUNERATION (Refer Note 40.1) :**						
	U. Shekhar						
	Short-term employee benefits (Refer Note 40.2)	-	-	-	1.86	-	-
	Other Long-term employee benefits	-	-	0.40	-	-	-
	K. Natarajan						
	Short-term employee benefits	-	-	1.71	1.86	-	-
	Other Long-term employee benefits	-	-	0.54	-	-	-
	K. Ganesh Kamath						
	Short-term employee benefits	-	-	2.85	1.87	-	-
	Other Long-term employee benefits	-	-	0.57	-	-	-
2	**DIVIDENDS DISTRIBUTED :**						
	Galaxy Chemicals	10.85	13.18	-	-	-	-
	Galaxy Emulsifiers Pvt. Ltd.	0.76	0.92	-	-	-	-
	U. Shekhar	-	-	5.92	7.19	-	-
	K. Natarajan	-	-	0.01	0.02	-	-
	K. Ganesh Kamath	-	-	0.03	0.03	-	-
	Lakshmi Shekhar	-	-	-	-	0.18	0.22
	Shridhar Unnathan	-	-	-	-	0.06	0.08

All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.

Note:

40.1 As the liabilities for defined benefit plans are provided on the basis of report of actuary for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

40.2 Values are less than ₹ 50,000 for F.Y. 2020-21

41 EMPLOYEE BENEFITS

a. Defined contribution plan

The Parent Company makes contributions towards Provident Fund, Employee's State Insurance Corporation (ESIC) for qualifying employees. The Parent Company has recognised ₹ 5.14 Crores (2019-20 - ₹ 4.82 Crores) for the year being Company's contribution to Provident Fund and ESIC, as an expense and included in Employee Benefit Expenses in the Statement of Profit and Loss.

The Subsidiaries make contributions towards 401K & Social security for qualifying employees. The subsidiaries have recognised ₹ 5.39 Crores (2019-20 ₹ 5.02 Crores) for the year being Subsidiaries contribution to 401K & Social security, as an expense and included in Employee Benefit Expenses in the Statement of Profit and Loss.

b. Defined benefit plan

Gratuity plan

Gratuity is payable to all eligible employees of the Parent Company on separation from the service, in terms of the provisions of the "Gratuity Act, 1972" and employment contracts entered into by the Parent Company. Under the gratuity plan, every employee who has completed at least 5 years of service gets a gratuity at 15 days of last drawn salary for each completed year of service. The Parent Company makes an annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

Through its gratuity plans the Company is exposed to a number of risks, the most significant of which are detailed below:

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for the year ended 31st March 2021

Interest risk

A decrease in the bond interest rate will increase the plan liability and will decrease the return on the plan's assets.

Salary risk

The present value of the Gratuity liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Investment risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

₹ Crores

	Particulars	As at 31st March Funded Plan Gratuity	
		2021	**2020**
I	**Expense recognised in the Statement of Profit and Loss for the year ended**		
	1 Current service cost	1.62	1.21
	2 Interest cost on benefit obligation (net)	0.41	0.36
	3 Net value of remeasurements on the obligation and plan assets	-	-
	4 Past service cost and loss/(Gain) on curtailments and settlement	-	-
	5 Total expenses included in employee benefits expense	**2.03**	**1.57**
II	**Recognised in other comprehensive income for the year**		
	1 Actuarial (gains)/ losses arising from changes in financial assumption	(0.04)	1.57
	2 Actuarial (gains)/ losses arising from changes in experience adjustment	1.45	0.74
	3 Actuarial (gains)/ losses arising from changes in demographic adjustment	-	-
	4 Return on plan asset	0.25	0.06
	5 Recognised in other comprehensive income	**1.66**	**2.37**
III	**Change in the present value of defined benefit obligation**		
	1 Present value of defined benefit obligation at the beginning of the year	24.02	19.32
	2 Current service cost	1.62	1.21
	3 Interest cost/(income)	1.64	1.48
	4 Remeasurements (gains)/ losses		
	(I) Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
	(II) Actuarial (gains)/ losses arising from changes in financial assumption	(0.04)	1.57
	(III) Actuarial (gains)/ losses arising from changes in experience adjustment	1.45	0.74
	5 Past Service cost	-	-
	6 Benefits paid	(0.76)	(0.30)
	7 Liabilities assumed/(settled)	-	-
	8 Present value of defined benefit obligation at the end of the year	**27.93**	**24.02**
IV	**Change in fair value of plan assets during the year**		
	1 Fair value of plan assets at the beginning of the year	17.96	14.57
	2 Interest income	1.23	1.12
	3 Contribution by employer	2.14	2.63
	4 Benefits paid	(0.76)	(0.30)
	5 Remeasurements (gains)/ losses		
	(I) Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
	(II) Actuarial (gains)/ losses arising from changes in financial assumption	-	-
	(III) Actuarial (gains)/ losses arising from changes in experience adjustment	-	-
	6 Return on plan assets excluding interest income	(0.25)	(0.06)
	7 Fair value of plan assets at the closing of the year	**20.32**	**17.96**
V	**Net Asset/(Liability) recognised in the Balance Sheet as at**		

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₹ Crores

	Particulars	As at 31st March Funded Plan Gratuity 2021	2020
1	Present value of defined benefit obligation as at 31st March	27.93	24.02
2	Fair value of plan assets as at 31st March	20.32	17.96
3	Surplus/(Deficit)	(7.61)	(6.06)
4	Current portion of the above	3.33	3.00
5	Non current portion of the above	4.28	3.06
VI	**Actuarial assumptions**		
1	Discount rate	6.85%	6.83%
2	Attrition rate	Between 15% to 4% based on service of employee	Between 15% to 4% based on service of employee
3	Average salary escalation rate	7.50%	7.50%
4	Mortality table used	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
VII	**Major Category of Plan Assets as a % of the Total Plan Assets**		
1	Insurer managed funds*	100%	100%
	*In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.		
VIII	**The expected contributions to the plan for the next annual reporting period**	3.33	3.00
IX	**Quantitative sensitivity analysis for significant assumption is as below**		
	The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Gratuity obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Gratuity Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.		
1	Discount rate varied by +1%	25.86	22.20
2	Discount rate varied by -1%	30.28	26.10
3	Salary growth rate varied by +1%	30.24	26.06
4	Salary growth rate varied by -1%	25.86	22.19
5	Withdrawal rate (W.R.) varied by + 1%	27.79	23.89
6	Withdrawal rate (W.R.) varied by - 1%	28.05	24.13
X	**Maturity profile of defined benefit obligation**		
1	Year 1	1.99	1.30
2	Year 2	2.68	1.48
3	Year 3	2.22	2.72
4	Year 4	3.63	2.01
5	Year 5	2.09	3.44
6	Years 6-10	11.52	8.85
7	11 Years and above	32.06	29.07

The current service cost and net interest cost for the year pertaining to Gratuity expenses have been recognised in “Contribution to Provident and other funds” in the statement of Profit and loss account. The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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42 CAPITAL MANAGEMENT

The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Group is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, customer, creditors and market confidence.

The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders. The Group may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

₹ Crores

Particulars	2021	2020
Short term debt	160.04	202.96
Long term debt	107.99	169.35
Total	**268.03**	**372.31**
Equity	1,301.41	1,067.75
Long term debt to equity	0.08	0.16
Total debt to equity	0.21	0.35

43 CATEGORIES OF FINANCIAL INSTRUMENTS

₹ Crores

Particulars		2021	2020
A)	**Financial assets**		
a)	**Measured at Amortised Cost**		
i)	Cash and Cash equivalents	81.51	47.70
ii)	Bank Balances other than Cash and Cash Equivalents	29.87	6.52
iii)	Loans	8.99	8.18
iv)	Trade Receivable	468.92	439.39
v)	Current Investment	43.45	5.78
vi)	Other Financial Assets	5.98	4.44
	Sub-Total	**638.72**	**512.01**
b)	**Measured at Fair value through Profit and Loss**		
i)	Derivative instruments not designated as hedging instruments	0.38	3.14
	Sub-Total	**0.38**	**3.14**
	Total Financial Assets	**639.10**	**515.15**
B)	**Financial liabilities**		
a)	**Measured at Amortised Cost**		
i)	Non-current Borrowings	77.39	116.63
ii)	Current Borrowings	160.04	202.96
iii)	Lease Liabilities	21.22	23.57
iv)	Trade Payables	376.96	273.13
v)	Other Financial Liability	36.31	61.90
	Sub-Total	**671.92**	**678.19**
b)	**Derivatives instruments measured at Fair value through Profit and Loss**		
i)	Derivative instruments not designated as hedging instruments	-	0.93
	Sub-Total	**-**	**0.93**
	Total Financial liabilities	**671.92**	**679.12**

44 FINANCIAL RISK MANAGEMENT FRAMEWORK

The Group has formulated and implemented a policy on risk management, as approved by the Board, so as to develop an approach to identify, assess and manage the various risks associated with our business activities in a systematic manner. The policy lays down guiding principles on proactive planning for identifying, analysing and mitigating material risks, both external and internal, and covering operational, financial and strategic risks. After risks have been identified, risk mitigation solutions are determined to bring risk exposure levels in line with risk appetite. The Group's risk management policies and systems are reviewed regularly to reflect changes in market conditions and our business activities. The Group's business activities are exposed to a variety of financial risks, namely Credit risk, Liquidity risk, Currency risk, Interest rate risks and Commodity price risk.

A) MARKET RISK

The Group's size and operations result in it being exposed to the market risks that arise from its use of financial instruments namely Currency risk, Interest risks and Commodity price risk. These risks may affect the Groups's income and expenses, or the value of its financial instruments. The Group's exposure to and management of these risks are explained below.

a) Interest Rate Risk

Interest rate risk results from changes in prevailing market interest rates, which can cause a change in the fair value of fixed-rate instruments and changes in the interest payments of the variable-rate instruments. Our operations are funded to a certain extent by borrowings. Our current loan facilities carry interest at variable rates as well as fixed rates. The management is responsible for the monitoring of the Group's interest rate position. Various variables are considered by the management in structuring the Group's borrowings to achieve a reasonable, competitive cost of funding. To a certain extent we use interest rate swap to minimise the risk.

b) Commodity Risk

The Group is exposed to the price risk associated with purchasing of the raw materials. The Group typically do not enter into formal long term arrangements with our vendors. Therefore, fluctuations in the price and availability of raw materials may affect the Group's business and results of operations. Management reviews the commodity price risk regularly to avoid material impact on profitability of the Group. There are no direct commodity derivatives available to hedge the price risk assocaited with the major raw material.

c) Currency Risk

The Group is exposed to exchange rate risk as a significant portion of our revenues and expenditure are denominated in foreign currencies. We import certain raw materials, the price of which we are required to pay in foreign currency, which is mostly the U.S. Dollar or Euro. Products that we export are paid for in foreign currency, which together acts as a natural hedge. Any appreciation/depreciation in the value of the Rupee against U.S. dollar, Euro or other foreign currencies would Increase/decrease the Rupee value of debtors/ creditors. To a certain extent the Group uses foreign exchange forward contracts to minimise the risk.

The carrying amount of the company's foreign currency exposure at the end of the reporting period are as follows

In Crores

Particulars	US Dollar	Indian Rupees	Euro	Indian Rupees	Others (Rupees)	Total (Rupees)
As at 31st March, 2021						
Borrowings	(0.04)	(3.27)	(0.07)	(5.96)	(15.93)	**(25.16)**
Trade Receivables & Other financial assets	1.73	126.83	0.21	17.99	56.78	**201.60**
Trade Payables & Other financial liabilities	(2.09)	(153.13)	(0.02)	(1.51)	(0.03)	**(154.67)**
Total	**(0.40)**	**(29.57)**	**0.12**	**10.52**	**40.82**	**21.77**
As at 31st March, 2020						
Borrowings	(0.60)	(45.13)	(0.07)	(5.97)	-	**(51.10)**
Trade Receivables & Other financial assets	1.39	105.22	0.19	16.06	30.00	**151.28**
Trade Payables & Other financial liabilities	(1.18)	(89.31)	(0.01)	(0.47)	(3.78)	**(93.56)**
Total	**(0.39)**	**(29.22)**	**0.11**	**9.62**	**26.22**	**6.62**

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Of the above foreign currency exposures, the unhedged exposures as at the end of the reporting date's are as follows.

In Crores

Particulars	US Dollar	Indian Rupees	Euro	Indian Rupees	Others (Rupees)	Total (Rupees)
As at 31st March, 2021						
Borrowings	(0.04)	(3.27)	(0.07)	(5.96)	(15.93)	**(25.16)**
Trade Receivables & Other financial assets	0.92	66.95	0.11	9.42	56.78	**133.15**
Trade Payables & Other financial liabilities	(2.09)	(153.12)	(0.02)	(1.51)	(0.03)	**(154.66)**
Total	**(1.21)**	**(89.44)**	**0.02**	**1.95**	**40.82**	**(46.67)**
As at 31st March, 2020						
Borrowings	(0.25)	(18.64)	(0.07)	(5.97)	-	**(24.61)**
Trade Receivables & Other financial assets	1.05	79.61	0.05	4.17	30.00	**113.78**
Trade Payables & Other financial liabilities	(1.08)	(81.74)	(0.01)	(0.47)	(3.78)	**(85.99)**
Total	**(0.28)**	**(20.77)**	**(0.03)**	**(2.27)**	**26.22**	**3.18**

B) CREDIT RISK MANAGEMENT

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Group is exposed to credit risk from our operating activities, primarily from trade receivables. The Group's customer base majorly has creditworthy counterparties which limits the credit risk. The Group's exposures are continuously monitored and wherever necessary Group take advances/LC's to minimise the risk.

a) Trade Receivables and Advances

The Group applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables/Advances. The Group has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Group. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses. Based on such information the group has evaluted that there is no provision required under expected credit loss model. Further, the Group reviews on a periodic basis all receivables/advances having commercial/legal issues which require resolution against which specific provisions are made when found necessary.

Reconciliation of loss allowance for Trade Receivables

₹ Crores

Particulars	Year Ended 31st March	
	2021	2020
Balance as at beginning of the year	1.49	0.06
Additons during the year	0.32	1.40
Amounts written off during the year	(0.22)	-
Amount of loss reversed / written back	(1.24)	(0.06)
Foreign currency translation difference	(0.03)	0.09
Balance at end of the year	**0.32**	**1.49**

b) Other Financials Assets

In respect of other financial assets, the maximum exposure to credit risk at the end of the reporting period approximates the carrying amount of each class of financial assets.

C) LIQUIDITY RISK

Liquidity risk management

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure that we have sufficient liquidity or access to funds to meet our liabilities when they are due.

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for the year ended 31st March 2021

Maturity profile of financial liabilities

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

₹ Crores

Particulars	Carrying amount in Balance sheet	Less than 1 Year	2nd and 3rd Year	4th and 5th Year	Above 5 years
As at 31st March, 2021					
Deferral Sales Tax Liability	0.08	0.08	-	-	-
Short term borrowings	160.04	160.04	-	-	-
Long term borrowings	107.91	30.53	57.83	19.55	-
Lease Liabilities	21.22	4.38	7.93	3.50	5.41
Trade payables	376.96	376.96	-	-	-
Other Financial Liabilities	5.71	5.36	-	-	0.35
Total	**671.92**	**577.35**	**65.76**	**23.05**	**5.76**
As at 31st March, 2020					
Deferral Sales Tax Liability	0.28	0.20	0.08	-	-
Short term borrowings	202.96	202.96	-	-	-
Long term borrowings	169.07	52.53	67.32	49.22	-
Lease Liabilities	23.57	3.89	8.83	6.35	4.50
Trade payables	273.13	273.13	-	-	-
Other Financial Liabilities	10.11	9.77	-	-	0.34
Total	**679.12**	**542.48**	**76.23**	**55.57**	**4.84**

45 SENSITIVITY ANALYSIS

A) Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant.

₹ Crores

Particulars	Currency	Change in rate	Effect on Profit Before Tax	Effect on pre-tax equity
Year ended 31st March, 2021	USD	+1%	0.23	-
	EUR	+1%	0.02	-
Year ended 31st March, 2020	USD	+1%	0.03	-
	EUR	+1%	(0.04)	-

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

The sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

B) Interest Rate sensitivity

The sensitivity analysis below have been determined based on exposure to interest rate for both long term & short term borrowings.

The following table demonstrates the sensitivity in interest rates on that portion of loans and borrowings which are not hedged, with all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ Crores

Particulars	Currency	Increase in basis points	Effect on profit before tax	Effect on pre-tax equity
Year ended 31st March, 2021	INR	+25 bps	(0.71)	-
Year ended 31st March, 2020	INR	+25 bps	(0.76)	-

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

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46 OFFSETTING OF BALANCES

The Group has not offset financial assets and financial liabilities.

47 COLLATERALS

The Group has long term loans and working capital loans which are secured by hypothecation of current and movable assets and mortgage of immovable properties.

48 FAIR VALUE DISCLOSURES

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

There were no transfers between Level 1 and Level 2 during the year.

Financial Instruments regularly measured using Fair Value - recurring Items							**Applicable for Level 2 and Level 3 hierarchy**
Particulars	**Fair Value**				**Fair value hierarchy**	**Valuation technique(s)**	**Key inputs**
	Financial assets/ financial liabilities	**Category**	**2021**	**2020**			
1) Derivatives - foreign exchange forward contracts and Interest rate swaps	Financial assets	Financial instruments measured at FVTPL	0.38	3.14	Level 2	Discounted Cash Flow	The fair values of the derivative financial instruments have been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.
	Financial Liabilities		-	0.93			

Notes to the Consolidated Financial Statements

for the year ended 31st March 2021

49 FINANCIAL INSTRUMENTS NOT MEASURED USING FAIR VALUE I.E. MEASURED USING AMORTIZED COST

₹ Crores

Particulars	Carrying Value	Fair value (Level 2)
As at 31st March, 2021		
Financial liabilities		
Financial liabilities held at Amortised Cost		
Deferral Sales Tax Liability	0.08	0.08
Total	**0.08**	**0.08**
As at 31st March, 2020		
Financial liabilities		
Financial liabilities held at Amortised Cost		
Deferral Sales Tax Liability	0.28	0.26
Total	**0.28**	**0.26**

Except for the above, carrying value of Other financial assets/liabilites represent reasonable estimate of fair value.

50 IND-AS YET TO BE NOTIFIED

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2021.

51 The figures for the previous year have been regrouped/reclassified wherever necessary to conform to the current year's presentation.

Notes to the Consolidated Financial Statements

for the year ended 31st March 2021

₹ Crores

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or Loss		Share in Other comprehensive income		Share in Total comprehensive income		Net Assets, i.e., total assets minus total liabilities		Share in Profit or Loss		Share in Other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated Profit or Loss	Amount	As % of consolidated Other comprehensive income	Amount	As % of consolidated Total comprehensive income	Amount	As % of consolidated net assets	Amount	As % of consolidated Profit or Loss	Amount	As % of consolidated Other comprehensive income	Amount	As % of consolidated Total comprehensive income	Amount
	2021								2020							
Galaxy Surfactants Limited	78.13%	1,016.82	58.86%	177.86	6.59%	(1.24)	62.35%	176.62	83.34%	889.84	79.07%	182.18	(6.55%)	(2.18)	68.26%	180.00
Foreign Subsidiaries																
Galaxy Chemcials Inc.	0.01%	0.16	(0.01%)	(0.02)	0.05%	(0.01)	(0.01%)	(0.03)	0.02%	0.18	(0.02%)	(0.04)	0.03%	0.01	(0.01%)	(0.03)
Galaxy Holdings (Maurtitius) Ltd.	1.53%	19.90	0.98%	2.97	5.73%	(1.08)	0.67%	1.89	1.69%	18.01	1.01%	2.33	(25.78%)	(8.58)	(2.37%)	(6.25)
Rainbow Holdings GmbH	(1.54%)	(20.07)	(0.44%)	(1.34)	4.14%	(0.78)	(0.75%)	(2.12)	(1.68%)	(17.94)	(0.54%)	(1.25)	(4.57%)	(1.52)	(1.05%)	(2.77)
Galaxy Chemicals (Egypt) S.A.E.	22.52%	293.08	26.37%	79.66	46.23%	(8.71)	25.04%	70.95	20.80%	222.14	10.88%	25.08	55.80%	18.57	16.55%	43.65
Tri-K Industries, Inc.	15.39%	200.28	13.32%	40.24	33.12%	(6.24)	12.00%	34.00	15.57%	166.27	10.65%	24.54	41.38%	13.77	14.53%	38.31
Eliminations	(16.04%)	(208.76)	0.92%	2.77	4.14%	(0.78)	0.70%	1.99	(19.74%)	(210.75)	(1.05%)	(2.43)	39.69%	13.21	4.09%	10.78
Total	100.00%	1,301.41	100.00%	302.14	100.00%	(18.84)	100.00%	283.30	100.00%	1,067.75	100.00%	230.41	100.00%	33.28	100.00%	263.69

For and on behalf of the Board

U. SHEKHAR
Managing Director
DIN: 00265017

K. NATARAJAN
Executive Director & COO
DIN: 07626680

K. GANESH KAMATH
Executive Director
Finance & CFO
DIN : 07767220

N. KETKAR
Company Secretary

Place : Navi Mumbai
Date : June 8, 2021

AOC 1

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies

Figures in ₹ Crores

Sr. No	Name of the Subsidiary Company	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Total Investments (Other than in Subsidiaries)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% shareholding	Country
1	Galaxy Chemicals Inc	USD	73.11	-*	0.16	0.29	0.14	-	-	(0.02)	-	(0.02)	-	100%	USA
2	Galaxy Holdings (Mauritius) Ltd.	USD	73.11	2.37	17.53	208.89	188.99	-	-	3.02	0.04	2.98	-	100%	Mauritius
3	Rainbow Holdings GmbH	EUR	85.74	0.17	(20.23)	6.18	26.25	-	-	(1.34)	-	(1.34)	-	100%	Germany
4	Galaxy Chemicals (Egypt) S.A.E.	USD	73.11	163.67	129.41	456.28	206.66	43.45	861.92	79.66	-	79.66	-	100%	Egypt
5	TRI-K Industries Inc.	USD	73.11	-*	200.27	255.59	55.31	-	374.42	48.26	8.02	40.24	-	100%	USA

* Figure less than 50,000

Notice to Members

NOTICE is hereby given that THIRTY FIFTH ANNUAL GENERAL MEETING of the Members of GALAXY SURFACTANTS LIMITED will be held on Wednesday, September 08, 2021 through video conferencing / other audio visual means at 3:00 p.m. (IST) to transact the following:

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021 together with the Report of Board of Directors and Auditors thereon;

2. To receive, consider and adopt Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 together with the Report of the Auditors thereon;

3. To confirm the payment of interim dividend during financial year 2020-21 declared on February 08, 2021 and approve the final dividend of ₹ 4/- for the financial year 2020-21;

4. To resolve not to fill vacancy caused by the retirement of Mr. Uday K Kamat (DIN: 00226866), who retires by rotation at this meeting, but does not seek re-appointment;

5. To appoint a Director in place of Mr. G. Ramakrishnan (DIN: 00264760), who retires by rotation and being eligible, offers himself for re-appointment;

SPECIAL BUSINESS

6. To ratify the remuneration payable to M/s Nawal Barde Devdhe & Associates, Cost Auditors:

   To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of the Section 148(3) and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder, the remuneration payable to the Cost Auditors M/s Nawal Barde Devdhe & Associates, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2022, as set out in the Explanatory Statement annexed to the Notice convening this Meeting be and is hereby ratified and confirmed;

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

7. To approve re-appointment of Mr. Amit Ramakrishnan in TRI-K Industries Inc. USA from April 1, 2021:

   To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder and subject to such other approvals as may be necessary, the approval of Members be and is hereby accorded to the reappointment of Mr. Amit Ramakrishnan in the service of TRI-K Industries Inc., USA, subsidiary of the Company, for a period of 3 years with effect from April 1, 2021 on such terms and conditions as set out in the Explanatory Statement;

   RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to take all steps necessary, proper or expedient to give effect to this Resolution including powers to revise, modify, vary terms and conditions within the limits set out in the Explanatory Statement during the tenure of reappointment of Mr. Amit Ramakrishnan with TRI-K Industries Inc., USA."

8. To approve appointment of Mr. Vaijanath Kulkarni (DIN: 07626842) as a Whole-time Director of the Company:

   To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval of the Central Government and such consents and permissions, as may be required, approval of the Members of the Company be and is hereby accorded for appointment of Mr. Vaijanath Kulkarni (DIN: 07626842), as Whole-time Director for the period of three years w.e.f. October 16, 2021, on such remuneration, terms and conditions as set in the Explanatory Statement annexed hereto;

   RESOLVED FURTHER THAT the Board of Directors of the Company or Committee of Directors thereof be and are hereby severally authorised to take all steps as may be necessary, proper and expedient to give effect to the resolution and to alter, revise, modify and vary such terms and conditions during the tenure of the present appointment of Mr. Vaijanath Kulkarni as Whole-time director, subject to the limits and stipulations prescribed by the Act and the approval by the Members and Central Government;

RESOLVED FURTHER THAT Mr. Vaijanath Kulkarni will be a director liable to retire by rotation and his reappointment as such Director shall not be deemed to constitute a break in his appointment as Whole-time Director during the tenure of his appointment till October 15, 2024."

By Order of the Board of Directors

Navi Mumbai
June 08, 2021

Niranjan Ketkar
Company Secretary

Registered Office:
C-49/2, TTC Industrial Area, Pawne,
Navi Mumbai – 400 703, India,
Phone: +91-22-27616666

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") with respect to the Special Business under Item Nos. 6 to 8 as set out in the Notice is annexed hereto.

2. In view of the continuing restrictions on the movement of people at several places in the country, due to outbreak of COVID-19, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 02/2021 dated 13th January, 2021 and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2021. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the 35th AGM (AGM) of the Company shall be conducted through VC / OAVM.

3. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

4. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer - Mr. S Sathyanarayanan by email through their registered email address to ss.and.co.cs@gmail.com with copies marked to the Company at investorservices@galaxysurfactants.com and to its RTA at instameet@linkintime.co.in.

5. In accordance with, the General Circular No. 20/2020 dated May 5, 2020 and General Circular No. 02/2021 dated January 13, 2021 issued by MCA and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by SEBI, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.galaxysurfactants.com and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

6. All documents referred to in the accompanying Notice are available for inspection through electronic mode. Members seeking to inspect such documents can send an email to investorservices@galaxysurfactants.com.

7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd. (Link Intime) to provide efficient and better services. Members holding shares in physical mode are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc. to Link Intime by providing necessary supporting documents.

8. In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent

"RTA"/Depositories, log in details for e-voting are being sent on the registered email ID. In case the shareholder holding shares in physical mode has not registered his/her/their email address with the Company/its RTA and/such shareholder is requested to write to Link Intime for updation of email.

9. The final dividend for the financial year ended March 31, 2021, if declared, at the Annual General Meeting, will be paid within a period of 30 days from the date of declaration as follows:

   (a) For shares held in physical form – to those shareholders whose names appear in the Register of Members on the close of the day on Wednesday, September 1, 2021; and

   (b) For shares held in dematerialized form to those beneficiaries, whose names are furnished by the National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners on Wednesday, September 1, 2021.

10. Shareholders may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after April 01, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of making the final dividend, if declared by the shareholders. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961.

    a) For Resident Shareholders, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 10% on the amount of Dividend declared and paid by the Company during financial year 2021-22 provided PAN is registered by the Shareholder. If PAN is not registered, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961. However, no tax shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received by them during financial year 2021-22 does not exceed ₹ 5,000. Separately, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm or HUF)/ Form 15H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

    b) For Non-resident Shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. However, as per Section 90 of the Income Tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

       • Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident.

       • Self declaration in Form 10F if all the details required in this form are not mentioned in the TRC.

       • Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.

       • Self- Declaration certifying the following points:

         i. Member is and will continue to remain a tax resident of the country of its residence during the financial year 2021-22;

         ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;

         iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;

         iv. Member is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and

         v. Member does not have a taxable presence or a permanent establishment in India during the financial year 2021-22.

11. Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non- Resident shareholder.

12. The forms for tax exemption can be downloaded from Link Intime's website. The URL for the same is as under:

    https://www.linkintime.co.in/client-downloads. html-On this page select the General tab. All the forms are available in under the head "Form 15G/15H/10F"

    The aforementioned documents (duly completed and signed) are required to be uploaded on the url mentioned below :

    https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html on this page the user shall be prompted to select / share the following information to register their request.

1. Select the company (Dropdown)
2. Folio / DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection
6. Document attachment – 1 (PAN)
7. Document attachment – 2 (Forms)
8. Document attachment – 3 (Any other supporting document)

Please note that the upload of documents (duly completed and signed) on the website of Link Intime India Private Ltd should be done on or before September 4, 2021 in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction shall be considered after September 4, 2021, 5:00 P.M.

Shareholders may note that in case the tax on said final dividend is deducted at a higher rate in absence of receipt of the aforementioned details/ documents, option is available to shareholder to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible.

All communications/ queries in this respect should be addressed to our RTA, Link Intime India Private Limited to its email address rnt.helpdesk@linkintime.co.in

13. Members holding shares in physical form are requested to dematerialize their shares on priority basis. The ISIN number of the Company is INE600K01018.

14. Those Members who have so far not encashed their dividend warrants for the financial year 2013-14, may claim or approach the Company for the payment thereof as the same will be transferred to the 'Investor Education and Protection Fund' established by the Central Government, pursuant to Section 125 of the Companies Act, 2013 on the respective date.

15. Members are requested to send in their queries at least a week in advance to the Company Secretary at investorservices@galaxysurfactants.com to facilitate clarifications during the meeting.

PROCEDURE FOR JOINING MEETING THROUGH VC/ OAVM:

1. Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM facility (Instameet) provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 30 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.

2. Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 30 (thirty) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time.

3. Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:

    a. Open the internet browser and launch the URL for InstaMeet <<https://instameet.linkintime.co.in>> and register with your following details:

        i. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company

        ii. PAN: Enter your 10 digit Permanent Account Number (PAN)

        iii. Mobile No.

        iv. Email ID

    b. Click "Go to Meeting"

    Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

4. Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

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

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

7. In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call :-Tel :+91-22-49186175.

8. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO REGISTER THEMSELVES AS SPEAKERS DURING ANNUAL GENERAL MEETING:

1. Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email ID, mobile number at investorservices@galaxysurfactants.com from Wednesday, September 1, 2021 from 9.00 a.m. to Friday, September 3, 2021 till 5.00 p.m.

2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.

3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.

4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.

5. Please remember to speak serial number and start your conversation with panellist by switching on video mode and audio of your device.

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

The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE MEETING

Remote e-voting: In compliance with the provisions of Sections 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 substituted by Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide the members the facility to exercise their vote for business to be transacted in this notice of Annual General Meeting by electronic means through e-voting facility provided by Link Intime. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting. Members holding shares in physical form are requested to access the remote e-voting facility provided by Link Intime as per instructions stated below.

(i) Members who are holding shares in physical or dematerialized form as on Wednesday, September 01, 2021 shall exercise their vote by electronic means. The Company has engaged the services of the Link Intime to provide the e-voting facility. The Notice is displayed on the Company's website, www.galaxysurfactants.com, and on website of Link Intime India Pvt. Ltd. www.linkintime.co.in

(ii) The remote e-voting period commences on Sunday, September 5, 2021 at 9:00 a.m. and will end on Tuesday, September 7, 2021 at 5:00 p.m. During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of September 01, 2021 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Link Intime for voting after closing time mentioned above. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently or cast the vote again.

(iii) The voting rights of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on Wednesday, September 01, 2021.

(iv) Mr. S Sathyanarayanan, Practicing Company Secretary (Membership No. F4966) (C. P. No. 3251) has been appointed as the Scrutinizer to scrutinize the e-voting at AGM and remote e-voting process in a fair and transparent manner.

(v) The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than 3 (Three) days after the conclusion of the AGM to the Chairman or a person authorized by him, who shall declare the result of the voting.

(vi) The results along with the Scrutinizer's Report, will be placed on the Company's website www.galaxysurfactants.com and shall also be submitted to stock exchanges.

The e-voting instructions for members receiving an e-mail of this Notice of Annual General Meeting are as under:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only after June 09, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. • After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 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 e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	• Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote. • If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration • Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in ♦ Click on "**Sign Up**" under **'SHARE HOLDER'** tab and register with your following details: - A. **User ID:** Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company. • Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above ♦ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter). ♦ Click "confirm" (Your password is now generated). 2. Click on 'Login' under **'SHARE HOLDER'** tab. 3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'**. 4. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon. 5. E-voting page will appear. 6. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link). 7. After selecting the desired option i.e. Favour / Against, click on **'Submit'**. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Institutional shareholders:

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

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

o Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**

o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on **'Submit'**.

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

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

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
  - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
  - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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 evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43.

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

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

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

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

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

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

Procedure for registration of e-mail address and bank details by shareholders:-

i. **Registration of email-id for shareholders holding physical shares*:**
The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime India Pvt Ltd, by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e mail id and also upload the image of share certificate in PDF or JPEG format. (upto 1 MB).

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

Note: *The registration of email id on above mentioned link will be on a temporary basis. The shareholders who wish to register their email id permanently will have to write to Link Intime India Private Limited for the same.

ii. **For Permanent Registration for Demat shareholders:**
It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

iii. **For Temporary Registration for Demat shareholders:**
The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Pvt Ltd by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id. (This will only help us in getting with touch with them in case of reminders emails for updation of bank details / unclaimed dividend if any and will not be updated in the system)

iv. **Registration of Bank Details for physical shareholders:**
The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their bank details can get the same registered with Link Intime India Pvt Ltd , by submitting request letter along with original cancel cheque leaf, PAN card and Aadhaar card to Link Intime India Pvt Ltd.

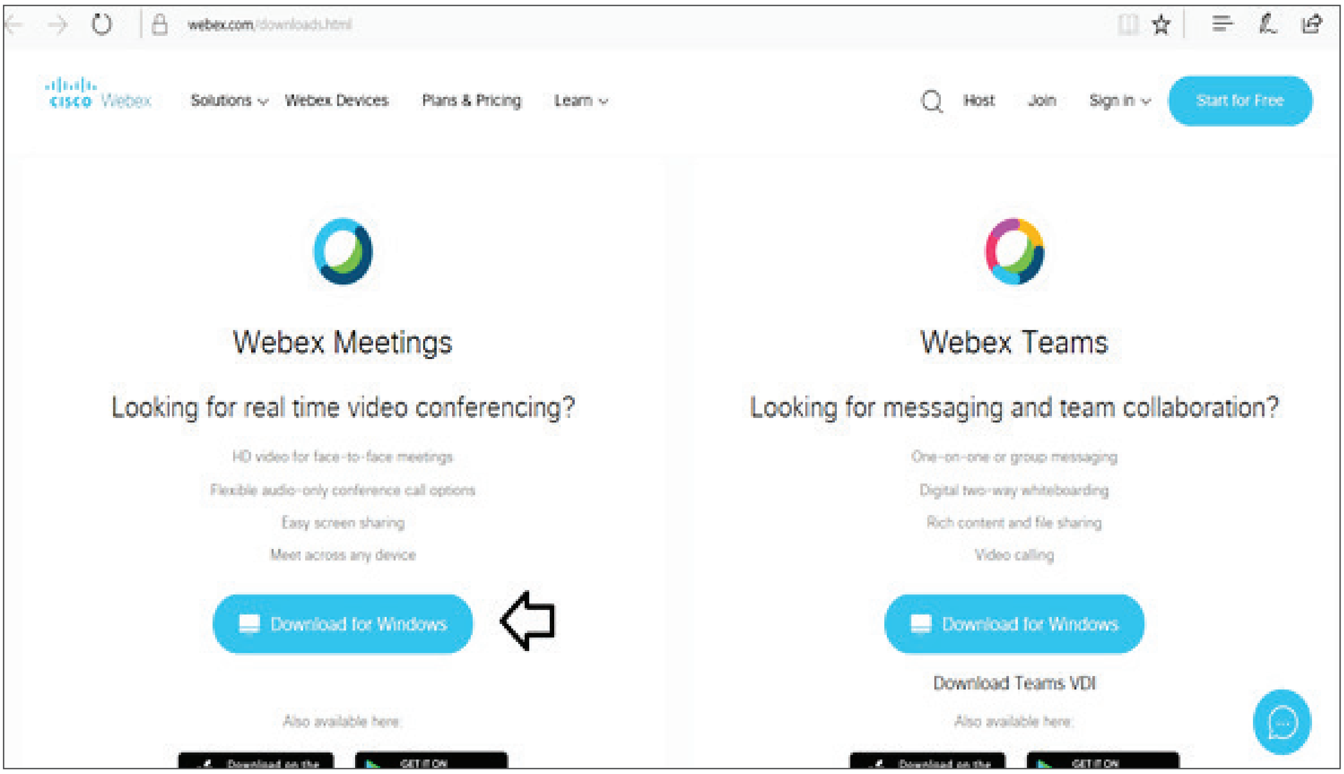
Link intime will verify the documents and will only take on records for all valid cases.

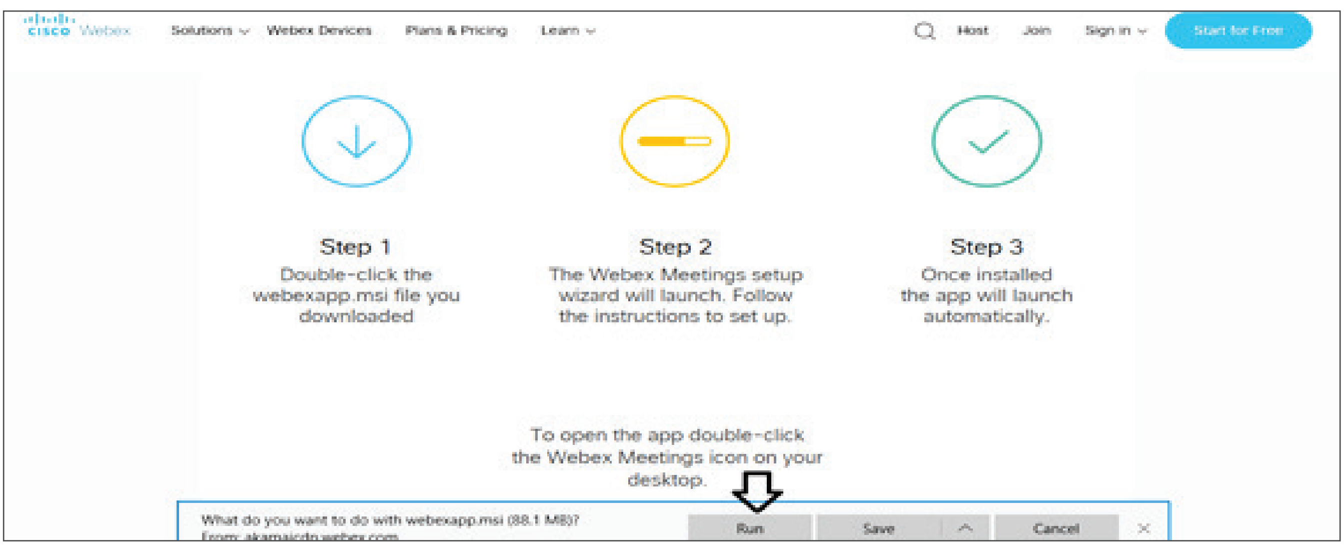
ANNEXURE

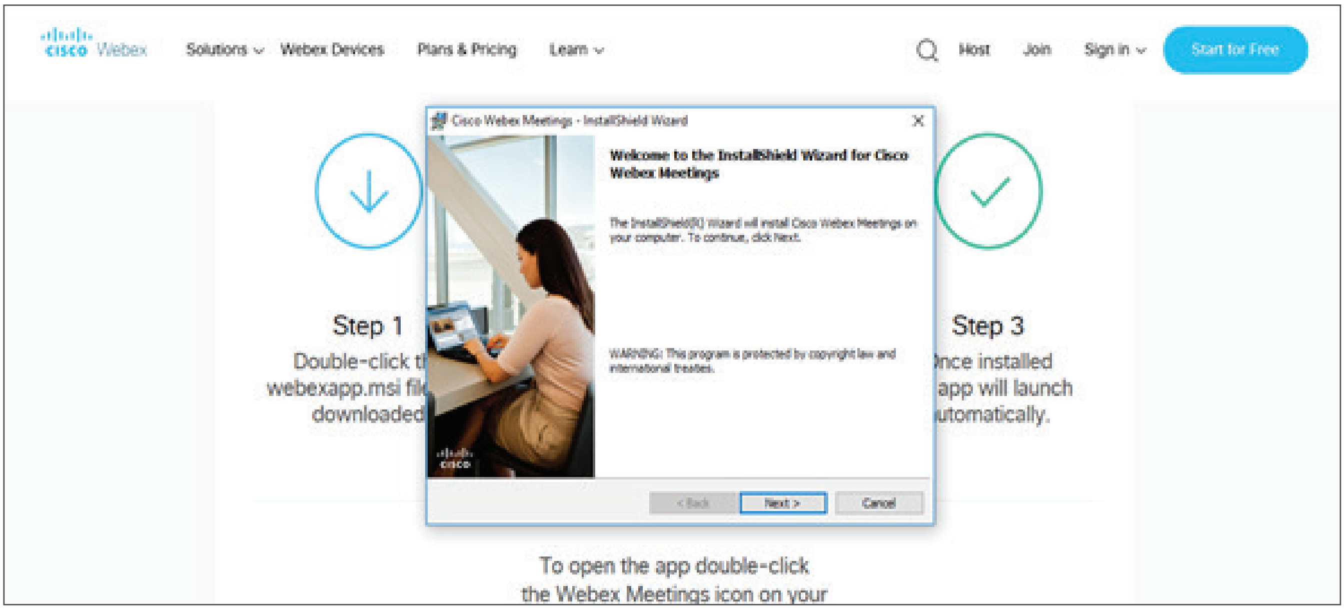
Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

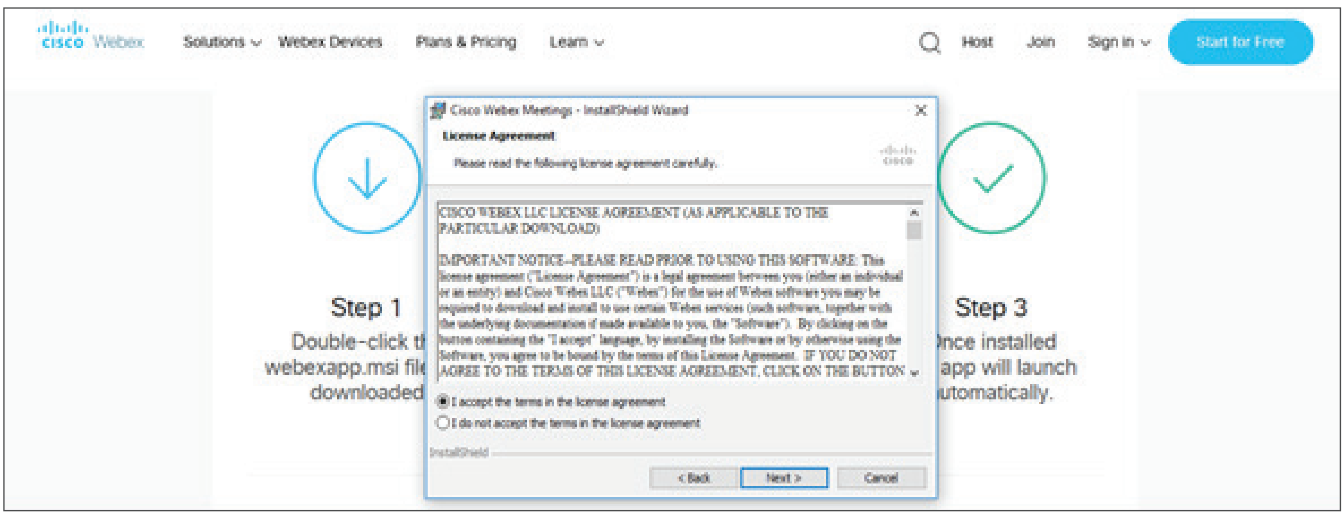
For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

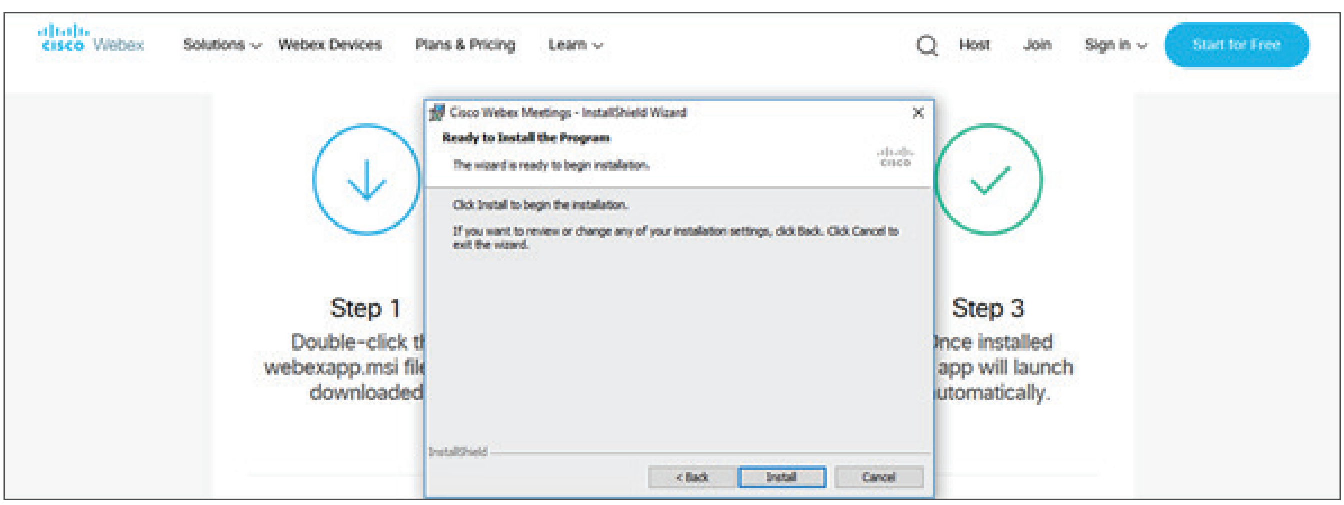
a) Please download and install the Webex application by clicking on the link https://www.webex.com/downloads.html/






Cisco Webex
Solutions
Webex Devices
Plans & Pricing
Learn
Host
Join
Sign in
Start for Free
Cisco Webex Meetings - InstallShield Wizard
Welcome to the InstallShield Wizard for Cisco Webex Meetings
The InstallShield(R) Wizard will install Cisco Webex Meetings on your computer. To continue, click Next.
WARNING: This program is protected by copyright law and international treaties.
< Back
Next >
Cancel
Step 1
Step 3
To open the app double-click
the Webex Meetings icon on your


Cisco Webex
Solutions
Webex Devices
Plans & Pricing
Learn
Host
Join
Sign in
Start for Free
Cisco Webex Meetings - InstallShield Wizard
License Agreement
Please read the following license agreement carefully.
CISCO WEBEX LLC LICENSE AGREEMENT (AS APPLICABLE TO THE PARTICULAR DOWNLOAD)
IMPORTANT NOTICE–PLEASE READ PRIOR TO USING THIS SOFTWARE
I accept the terms in the license agreement
I do not accept the terms in the license agreement
InstallShield
< Back
Next >
Cancel
Step 1
Step 3


Cisco Webex
Solutions
Webex Devices
Plans & Pricing
Learn
Host
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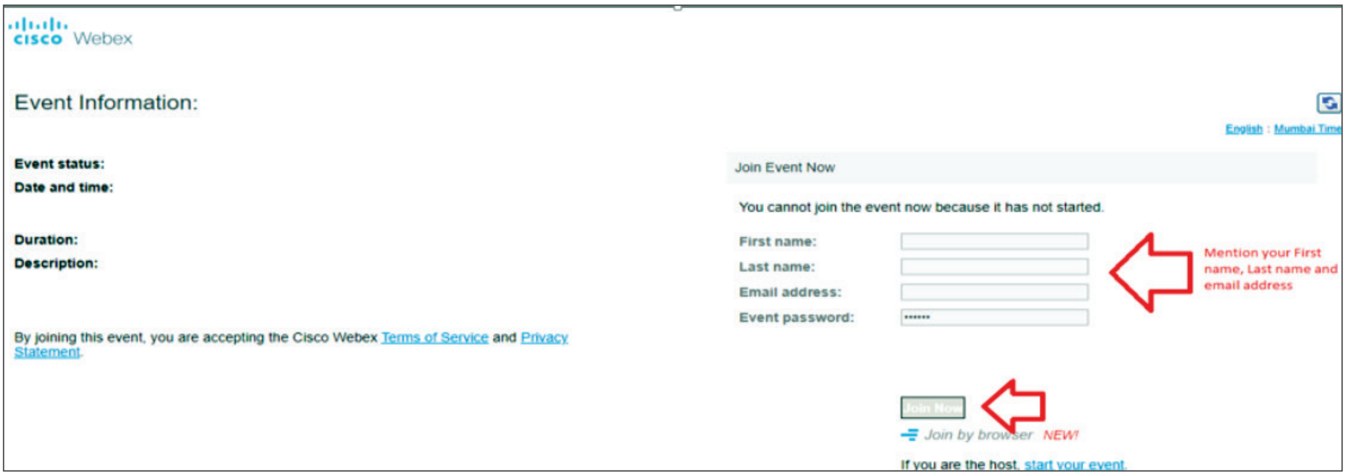
Sign in
Start for Free
Cisco Webex Meetings - InstallShield Wizard
Ready to Install the Program
The wizard is ready to begin installation.
Click Install to begin the installation.
If you want to review or change any of your installation settings, click Back. Click Cancel to exit the wizard.
InstallShield
< Back
Install
Cancel
Step 1
Step 3

or

b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application. Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now



EXPLANATORY STATEMENT PURSUANT SECTION 102(1) OF THE COMPANIES ACT, 2013, IN RESPECT OF SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE 35TH ANNUAL GENERAL MEETING OF GALAXY SURFACTANTS LIMITED TO BE HELD THROUGH VIDEO CONFERENCING/ OTHER AUDIO VISUAL MEANS ON WEDNESDAY, SEPTEMBER 08, 2021

Item no. 6

The Board of Directors on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Nawal Barde Devdhe & Associates, Cost Accountants to conduct the audit of the cost records of the Company for the financial year ending March 31, 2022 for a remuneration of ₹ 4,50,000/- plus any taxes and reimbursement of out of pocket expenses as agreed between the Company and the Cost Auditors.

In terms of the provisions of the Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the consent of the Members is being sought for the aforesaid remuneration to the Cost Auditors for the financial year ending March 31, 2022.

None of the Directors/ Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

Your Board recommends the Resolution at Item no. 6 as an Ordinary Resolution for the approval of the Members.

Item no. 7

Mr. Amit Ramakrishnan, son of Mr. G. Ramakrishnan – Promoter and Non-Executive Director of the Company, was re-appointed in the services of TRI-K Industries Inc., subsidiary of the Company for a period of 3 years w.e.f. February 1, 2019 as per approval of members in their meeting held on August 9, 2018. The term of current appointment of Mr. Amit Ramakrishnan shall expire on January 31, 2022. Since there is a change in the term and conditions of appointment, the approval of the Members is being sought from for a period of 3 years w. e. f. April 1, 2021.

Considering the contribution and experience of Mr. Amit Ramakrishnan, TRI-K Industries Inc, subsidiary of the Company (TRI-K) has decided to continue with his appointment. The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on Tuesday, June 08, 2021 has approved the extension of the term of employment of Mr. Amit Ramakrishnan in TRI-K for a further period of 3 years from April 1, 2021 till March 31, 2024, subject to the approval of the shareholders and any other approvals, if any, that may be required under the provisions the Companies Act, 2013 and rules made thereunder.

Mr. Amit Ramakrishnan's details as are as under:

Age	36 years
Educational Qualifications	B. Tech in Industrial Biotechnology from Anna University, Chennai and Masters' Degree in Science, Material Science and Engineering from University of Texas, Austin, USA.
Experience	More than 10 years
Last Position held in Subsidiary	Technical Sales Executive and System Process Analyst

Role in Subsidiary	To lead, manage and direct all aspects of the sales process and sales personnel in the United States. Responsible and accountable for the business results and the achievement of annual sales and profits targets for the U.S. region in line with strategic business development and growth plans.
Remuneration paid by Subsidiary for the year 2020-21	USD 191065
Previous Approval	AGM dated August 09, 2018

As Mr. Amit Ramakrishnan is the son of Mr. G Ramakrishnan, Promoter and Non-Executive Director of the Company, his continuation in the full time employment beyond the current term in TRI-K attracts provisions of Section 188 of the Companies Act, 2013 ("the Act").

Accordingly, approval of the shareholders is being sought under Section 188 for continuing employment of Mr. Amit Ramakrishnan on the following terms and conditions:

1. The re-appointment will be effect from April 1, 2021.
2. The tenure of employment will be for a period of 3 years from the above date.
3. The designation shall be "National Sales Manager" or such other designation as may be decided from time to time.
4. The total remuneration, including perquisites and benefits shall not exceed USD 20,000 per month for the period of employment and the same will be as per the following details:
   a) Salary, allowances and performance bonus in the scale of USD 12,000 to USD 18,000 per month.
   b) Perquisites covering social security, medical care, life insurance, vacation, 401K contribution and other statutory benefits not exceeding USD 6,000 per month.
5. The services are transferable to any other location of the Company or the Group Company.

Mr. G Ramakrishnan and his relatives/ related parties as defined under the provisions of the Companies Act, 2013 and the rules made thereunder, being interested members, are not entitled to vote in favour of this resolution.

No other Director, Key Managerial Personnel of the Company and their relatives, except Mr. G Ramakrishnan, are in any way, concerned or interested, financially or otherwise, in the resolution as set out in Item no. 7 of the accompanying notice.

Your Board recommends the Resolution at Item no. 7 as an Ordinary Resolution for the approval of the Members.

ITEM NO. 8

Mr. Vaijanath Kulkarni was appointed as an Additional Director w.e.f. October 1, 2016 by the Board of Directors in its meeting held on September 26, 2016 and his appointment as a Non-Executive Director (liable to retire by rotation) was confirmed in the 31st Annual General Meeting held on August 17, 2017. Mr. Kulkarni was further re-appointed as a director in the 33rd Annual General Meeting held on August 13, 2019.

Mr. Kulkarni is a Chemical Engineer and he has been associated with the Galaxy Group for the past 25 years. He has completed Global Advance Management Programme for Global Leadership – 2009 from the Indian School of Business, India and the Kellogg School of Management, USA and Advance Management Programme from Harvard. He started his career with our Company as a Chemical Process Engineer and has varied experience in various process verticals. He is currently the Managing Director of Galaxy Chemicals (Egypt) S.A.E. He has been instrumental in successfully commissioning of the Egypt operations and thereafter as a Managing Director has demonstrated his abilities in navigating various challenges in successfully anchoring the business and operations of the subsidiary in Egypt.

After successfully leading the subsidiary in Egypt, it is proposed to induct him as a Whole-time Director in the Company and utilize his expertise and experience in areas of projects, manufacturing and logistics at the level of the parent company. The appointment shall be w.e.f October 16, 2021 and shall be valid for a period of 3 years till October 15, 2024.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee held on June 08, 2021 have approved the proposal of appointing Mr. Vaijanath Kulkarni as a Whole-time Director as per the provisions of the Companies Act, 2013 for the period of 3 (three) years with effect from October 16, 2021.

As per the requirement of the Companies Act, 2013, the appointment of Whole-time director is subject to the approval of members. Further, as Mr. Kulkarni has been on a deputation to the Subsidiary in Egypt, he has been residing abroad during the previous twelve months. Therefore, in terms of Part I of the Schedule V to the Act, his appointment as an Executive Director would be subject to the approval of the Central Government. The Company will be making the requisite application to the Central Government in this regard.

Mr. Vaijanath Kulkarni is not disqualified from being appointed as Director under section 164 of the Companies Act, 2013.

The appointment and payment of remuneration including perquisites of Mr. Vaijanath Kulkarni are subject to the approval of members of the Company and other statutory approvals as may be required.

The principal terms and conditions of appointment are as given below:

1. The Whole-time Director shall be subject to superintendence, control and directions of the Board of Directors, manage the business and affairs of the Company.
2. The tenure of appointment shall be with effect from October 16, 2021 till October 15, 2024.
3. Mr. Kulkarni shall be liable to retire by rotation and his re-appointment as such director shall not be deemed to constitute to a break in his appointment as a Whole-time director during the tenure of appointment.
4. Remuneration payable to Whole-time Director shall be as under:

   a. Monthly Gross Salary

      Gross Salary consisting of Basic Salary, HRA and such other Cash Allowances as may be determined by the Board, within the overall scale of ₹ 12,00,000/- to ₹ 16,00,000/- per month.

   b. Perquisites

      In addition to the aforesaid salary, the appointee shall be entitled to the following perquisites:

      (i) Housing:

      In case furnished accommodation is provided to the Whole-time director, it shall be in lieu of 20% of Monthly Gross Salary.

      The expenses in respect of such accommodation shall be subject to the following limits:

      - If the accommodation is hired/leased, the expenditure on accommodation shall be subject to the limit of 20% of the Monthly Gross Salary;
      - If the accommodation is Company owned, the expenditure on the accommodation shall be subject to the limit of 7.5% of the Monthly Gross Salary payable to the said appointee.

      (ii) Reimbursement of medical expenses incurred for self and family, as per the Company's Rules.

      In addition, hospitalization expenses incurred in India for self and family will be paid on actual basis as per Company's Rules framed in this regard.

      (iii) Leave Travel Assistance for self and family, once in a year incurred in accordance with the Rules specified by the Company.

      (iv) Fees of clubs, subject to maximum of two clubs. This will not include admission and life membership fees.

      (v) Term Insurance and Personal accident insurance: Coverage to be extended as per the Company's Rules.

      (vi) A car with a driver for official purpose as per Company's Rules. Use of car for personal purpose shall be reimbursed to the Company.

      (vii) Telephone, fax facilities and other telecommunication facilities at his residence, as per Company's Rules. Personal long distance calls shall be reimbursed to the Company.

      (viii) Contribution to provident fund to the extent it is not taxable, under the Income Tax Act, 1961.

      (ix) Gratuity of half month basic salary for every year of completed service as per the rules of the Company.

      (x) Leave and Leave Encashment as per the Company's Rules.

   c. Commission

      Commission shall be decided by the Board of Directors/ Committee of Directors from time to time.

      The commission in a particular year shall be subject to the overall ceiling laid down under Section 197 and 198 and other applicable provisions of the Act and Rules made thereunder.

      Explanation:

      - Family for the above purpose means the spouse, the dependent children and dependent parents of the appointee
      - The aforesaid perquisites may be in the form of reimbursement or allowance
      - Unless the context otherwise requires, the aforesaid perquisites shall be valued as per the provisions of the Income Tax Act/ Rules, wherever applicable and in absence of any such rule, perquisites shall be valued at actual costs
      - Car for use on Company's business, telephone, fax and other telecommunication facilities at residence for official use, will not be considered as perquisites and shall not be included in remuneration.

5. Annual Increment

   The Annual Increments effective from 1st April every year shall be decided by the Board of Directors/Committee of Directors and shall be merit based and will take into account the Company's performance.

6. Inadequacy of Profits and Remuneration

   In the event of loss or inadequacy of profits in any financial year during the currency of the tenure of the Whole-time Director, remuneration by way of salary, perquisites, commission and other allowance shall be in accordance with the ceiling prescribed in Schedule V to the Companies Act, 2013 or any modification thereof to the same from time to time.

In addition, they shall also be eligible to the following perquisites, which shall not be included in the computation of the ceiling on remuneration as specified above, in the event of loss or inadequacy of profits in any financial year.

- Contribution to provident fund, to the extent this is not taxable, under the Income Tax Act, 1961.
- Gratuity of half month basic salary for every year of completed service as per the rules of the Company.
- Leave and Leave encashment, as per Company's Rules.

7. No sitting fees shall be paid to the appointee for attending the meeting of the Board of Directors or any committees thereof.

The aggregate of remuneration viz. salary, commission and perquisites/ benefits, including contribution towards Provident Fund, and gratuity fund/ provision payable to Whole-time Director of the Company shall not exceed 10% of the net profits of the Company calculated in accordance with the provisions of Section 197, 198 and other applicable provisions of the Companies Act, 2013.

The copy of draft letter of appointment is kept open for inspection by any member of the Company under section 190(2) of the Companies Act, 2013.

As required under Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard 2, particulars of Directors seeking appointment/re-appointment at this AGM are given in the Annexure-1 to the Notice of this AGM.

No other Director, Key Managerial Personnel of the Company and their relatives, except Mr. Vaijanath Kulkarni, are in any way, concerned or interested, financially or otherwise, in resolution as set out in Item no. 8 of the accompanying notice.

Your Board recommends the Resolution at Item No. 8 as Ordinary Resolution for the approval of the members.

By Order of the Board of Directors

Navi Mumbai
June 08, 2021

Niranjan Ketkar
Company Secretary

Registered Office:
C-49/2, TTC Industrial Area, Pawne,
Navi Mumbai – 400 703, India,
Phone: +91-22-27616666

DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THE 35TH ANNUAL GENERAL MEETING PURSUANT TO SECRETARIAL STANDARDS ON GENERAL MEETING (SS-II) AND REGULATION 36(3) OF THE LISTING REGULATIONS:

Annexure-1

Name of Director	G Ramakrishnan	Vaijanath Kulkarni
Director Identification Number	00264760	07626842
Age (years)	66	46
Qualification	CA, CMA, CS	B.E. (Chemicals), Certified in Global Advance Management Programme from Indian School of Business, India and Kellogg's School of Management, USA, Advance Management Programme from Harvard.
Date of First Appointment	November 01, 2009	October 1, 2016
Expertise in specific General functional Area	Over thirty-five (35) years of experience with the Company in its Personal and Home care business in various areas including strategic planning, marketing and sales, general management and human resources management	Over twenty-five (25) years of experience with the Company in the areas of projects, manufacturing and logistics. Has held the position of Managing Director of Galaxy Chemicals (Egypt) SAE.
Shareholding in the Company	23,62,783 equity shares of ₹ 10/- each (Individual Capacity) 19,38,100 equity shares of ₹ 10/- each (as a partner of Galaxy Chemicals)	26,000 equity shares of ₹ 10/- each
Relationship with other Directors /KMPs	NIL	NIL
Terms and conditions of Re-appointment/ Appointment	-	As per explanatory statement to resolution
Remuneration last drawn including sitting fee	Commission: ₹ 0.10 Cr Sitting Fees: ₹ 0.08 Cr Consultation Fees: ₹ 0.6 Cr	No remuneration/sitting fees was paid from Galaxy Surfactants Limited Received remuneration of USD 273,826 for the year 2020-21 from Galaxy Chemicals (Egypt) SAE.
Remuneration proposed to be paid	Sitting fees for attending meeting of the Board shall be paid as may be decided by the Board from time to time.	As per resolution no. 8 of the notice read with explanatory statement thereto.
No. of Board meetings attended during the Financial Year (2020-21)	6/6	6/6
Directorships of other Boards as on March 31, 2021	• Galaxy Chemicals (Egypt) SAE • TRI-K Industries Inc.	• Galaxy Chemicals (Egypt) SAE
Membership/ Chairmanship of Committees of other Boards as on March 31, 2021	NIL	NIL

NOTES

Global Supplier to Global Brands

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