

September 3, 2024

To,  
**BSE Limited**  
Listing Compliance & Legal Regulatory  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001  
**Stock Code: 543233**

To,  
**National Stock Exchange of India Limited**  
Listing & Compliance  
Exchange Plaza, Bandra-Kurla Complex,  
Bandra East, Mumbai 400 051  
**Stock Symbol: CHEMCON**

Dear Sir/Madam,

**Subject: Annual Report of Chemcon Speciality Chemicals Limited ("the Company") for the Financial Year 2023-24**

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report for the Financial Year 2023-24 along with the Notice of 35<sup>th</sup> Annual General Meeting (AGM) of the Company which is being circulated to the members only through electronic mode.

The Annual Report 2023-24 is also available on the website of the Company at <https://cscpl.com/wp-content/uploads/investors-relations/35th-AGM/Annual-Report-2023-24.pdf>

You are requested to take the above information on record.

Thanking you,  
**For Chemcon Speciality Chemicals Limited**

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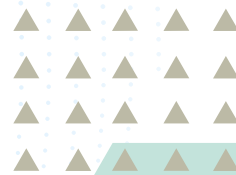
**Shahilkumar Kapatel**  
Company Secretary & Compliance Officer  
Membership No. A52211



# CHEMCON SPECIALITY CHEMICALS LIMITED

# ANNUAL REPORT

2023-24



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## From the Chairman's desk



*"We are dedicated to consistently producing high-quality, technology-driven products that replace imports. To support this, we are continuously expanding our operations. This commitment will strengthen our promise to unlock value for our business partners in the future."*

### **DEAR STAKEHOLDERS,**

Warm greetings from the Chemcon family!

On behalf of the Board of Directors and the entire company, I am pleased to extend a warm welcome to all of you to the 35th Annual General Meeting of our company.

**Despite the adverse impacts of intense geopolitical tensions, rising inflation, and significant political polarization on global trade and economic growth, we remained confident in the unfolding India story and**

**continued to expand our capacities and capabilities.**

### **GROWTH+SUSTAINABILITY= VALUE**

At Chemcon, we believe that growth and sustainability are mutually inclusive and can work together to create long-term value for all our stakeholders. We also recognize that sustainability is not just an environmental issue but a social and economic issue as well. This is why we are committed to supporting the communities in which we operate, ensuring that all our stakeholders are treated fairly and with respect.

## OUR PERFORMANCE

The world, as we knew it in the recent past, underwent significant changes. Intense geopolitical stress, heightened inflation, and significant political polarization have hindered global trade and economic progress. However, amidst this global fragility, India emerged as a beacon of resilience, forging ahead despite harsh headwinds. While domestic demand and markets remained robust, export-oriented businesses' performance dipped due to global turmoil. This reality impacted our performance.

Our revenue from operations dipped by 12% over the previous year. EBITDA and Net Profit also slid by 62% and 65%, respectively. While our annual numbers may appear subdued, a detailed analysis indicates better days ahead. The positive momentum has ushered in the hope of sustaining business growth in FY 2024-25.

## INTANGIBLE INPUTS DRIVING TANGIBLE OUTCOMES

At Chemcon, we believe that the manner in which we build our intangibles, like trust, will influence the pace and quality of our tangible outcomes. Our responsible people engagement model spans our entire stakeholder canvas. There is a growing conviction that only companies that address such intangibles consistently can claim to have created a truly sustainable foundation. This conviction has

driven our consistent and significant investments in people, partnerships, and platforms. These investments will continue to differentiate us from the rest of the industry and help us consistently achieve top quartile financial returns over a long period.

We now stand at the cusp of an ocean of new possibilities. We believe our business model, which has served us well in the past, will continue to drive us into the future. We look forward to undertaking this exciting journey into the future along with all of you, our partners and stakeholders

## IN CLOSING

I take this opportunity to thank my colleagues on the Board for their knowledge and guidance in drawing the contours of our strategy and helping the Company course-correct to align with sectoral realities. I would also like to thank the entire team for their unwavering dedication and tireless efforts in elevating the Company's position in our business space. I express my gratitude to all other stakeholders for their support and belief in our journey. We continue to solicit your support as we move towards our ambitious goals.

Stay safe. Stay healthy.

Warm Regards,

**Kamalkumar Rajendra Aggarwal**

Chairman and Managing Director

## BOARD OF DIRECTORS



### **Kamalkumar Rajendra Aggarwal**

#### **Chairman and Managing Director**

Experience: 28 Years

Member of the Board Since: January 19, 2004

Holds Diploma in Petrochemical Technology (Plastic Technology) from Maharaja Sayajirao University of Baroda, Gujarat.



### **Naresh Vijaykumar Goyal**

#### **Joint Managing Director**

Experience: 40 Years

Member of the Board Since: August 3, 2024

Founder of Super Scientific Glass Industries and co-founder of Chemcon Speciality Chemicals Limited with over 40 years of experience and expertise in marketing.



### **Navdeep Naresh Goyal**

#### **Whole-time Director**

Experience: 13 Years

Member of the Board Since: April 01, 2015

A techno-commercial entrepreneur diversified into various sectors like Speciality chemicals, Pharmaceuticals, Mechanical-Engineering and technical textile industry.



### **Rajveer Kamal Aggarwal**

#### **Non-executive Director (Non-Independent)**

Experience: 8 Years

Member of the Board Since: October 01, 2017

Holds a bachelor's degree in chemical engineering from Gujarat Technological University, Gujarat.



## **Rajesh Chimanlal Gandhi**

### **Whole-time Director and Chief Financial Officer**

Experience: 25 Years

Member of the Board Since: May 01, 2012

Holds a bachelor's degree in commerce from Gujarat University.



## **Himanshu Prafulchandra Purohit**

### **Whole-time Director**

Experience: 25 Years

Member of the Board Since: May 01, 2012

Holds a master's degree in science in Inorganic Chemistry from Sardar Patel University, Gujarat.



## **Lalit Devidutt Chaudhary**

### **Independent Director**

Experience: 23 Years

Member of the Board Since: April 29, 2019

Holds a bachelor's degree in commerce from Sardar Patel University, Gujarat.



## **Neelu Atulkumar Shah**

### **Independent Director**

Experience: 8 Years

Member of the Board Since: April 29, 2019

Holds a bachelor's degree in science from Kanpur University, UP and a master's degree in business administration from the Jiwaji University, Gwalior.



## Bharat Chunilal Shah

### Independent Director

Experience: 40 Years

Member of the Board Since: April 29, 2019

Holds a bachelor's degree in science from Maharaja Sayajirao University of Baroda, Gujarat.



## Lalit Ramniklal Mehta

### Independent Director

Experience: 37 Years

Member of the Board Since: December 16, 2023

Fellow member of the Institute of Chartered Accountants of India and holds a master's degree in commerce. He is also a certified Arbitrator awarded by the Institute of Chartered Accountants of India and currently a senior most Partner and foundation leader of Lalit R Mehta & Associates, Chartered Accountants.



## Pankaj Amritlal Shah

### Independent Director

Experience: 39 years

Member of the Board Since: December 16, 2023

Holds a bachelor's degree in commerce from M. S. University, Baroda and post-Graduate in Industrial Purchasing and Materials Management.



## Ketan Bhailal Shah

### Independent Director

Experience: 27 Years

Member of the Board Since: August 22, 2024

Holds a bachelor's degree in commerce from Maharaja Sayajirao University (MSU), Vadodara. With 27 years in Share & Securities and 17 years in Real Estate, he has also served as Ex-Director of Vadodara Stock Exchange and Ex-President of Jain International Trade Organization (JITO), Vadodara.



# CORPORATE INFORMATION

## Board Of Directors

**Kamalkumar Rajendra Aggarwal**

Chairman & Managing Director

**Naresh Vijaykumar Goyal**

Joint Managing Director

**Navdeep Naresh Goyal**

Whole-time Director

**Rajveer Kamal Aggarwal**

Non-executive Director (non-Independent)

**Rajesh Chimanlal Gandhi**

Whole-time Director and Chief Financial Officer

**Himanshu Prafulchandra Purohit**

Whole-time Director

**Lalit Devidutt Chaudhary**

Independent Director

**Bharat Chunilal Shah**

Independent Director

**Neelu Atulkumar Shah**

Independent Director

**Lalit Ramniklal Mehta**

Independent Director

**Pankaj Amritlal Shah**

Independent Director

**Ketan Bhailal Shah**

Independent Director

## Company Secretary & Compliance Officer

Shahilkumar Maheshbhai Kapatel

## Registered office

Block No. 355, Manjusar-Kunpad Road, Village Manjusar,  
Taluka - Savli, Dist. Vadodara - 391 775, Gujarat, India

## Registrar and Share Transfer Agents

**Link Intime India Pvt. Ltd.**

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

## Statutory Auditors

**M/s. K C Mehta & Co LLP**

Chartered Accountants

## Internal Auditors

**M/s. M Sahu & Co.**

Chartered Accountants

## Secretarial Auditors

**M/s. Rathod & Co.**

Practicing Company Secretaries

## Cost Auditors

**M/s. Chetan Gandhi & Associates**

Cost Accountants

## Banker

HDFC Bank Ltd.

## Committees of Board

- **Audit Committee:**

Bharat Chunilal Shah	- Chairman
Kamalkumar Rajendra Aggarwal	- Member
Neelu Atulkumar Shah	- Member
Pankaj Amritlal Shah	- Member

- **Stakeholder Relationship Committee:**

Bharat Chunilal Shah	- Chairman
Rajesh Chimanlal Gandhi	- Member
Lalit Devidutt Chaudhary	- Member

- **Nomination and Remuneration Committee:**

Lalit Devidutt Chaudhary	- Chairman
Neelu Atulkumar Shah	- Member
Bharat Chunilal Shah	- Member

- **Corporate Social Responsibility Committee:**

Navdeep Naresh Goyal	- Chairman
Bharat Chunilal Shah	- Member
Rajveer Kamal Aggarwal	- Member

- **Risk Management Committee:**

Rajesh Chimanlal Gandhi	- Chairman
Neelu Atulkumar Shah	- Member
Himanshu Prafulchandra Purohit	- Member

# MANAGEMENT DISCUSSION AND ANALYSIS

## ECONOMIC REVIEW

### World Economic Outlook

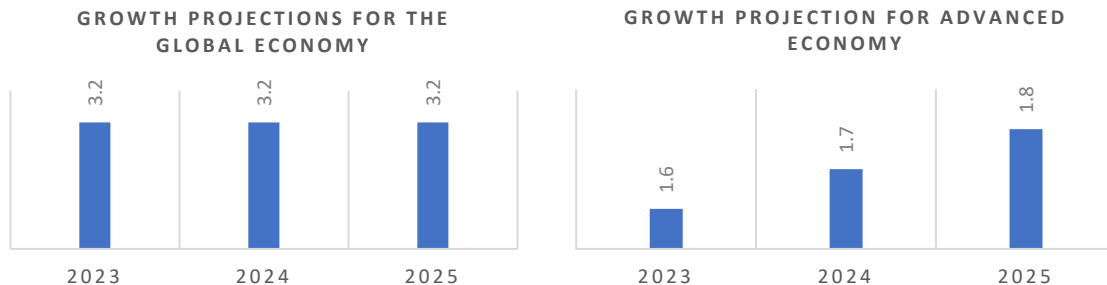
The global economy remains remarkably resilient, with growth holding steady as inflation returns to target. The journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, a Russian-initiated war on Ukraine that triggered a global energy and food crisis, and a considerable surge in inflation, followed by a globally synchronized monetary policy tightening.

Yet, despite many gloomy predictions, the world avoided a recession, the banking system proved largely resilient, and major emerging market economies did not suffer sudden stops. Moreover, the inflation surge - despite its severity and the associated cost of living crisis - did not trigger uncontrolled wage price spirals. Instead, almost as quickly as global inflation went up, it has been coming down.

Despite numerous challenges such as ongoing geopolitical conflicts, rising inflation, and stringent central bank policies, the global economy showed resilience. Although there was a downturn in 2022, it rebounded in 2023 with a growth rate of 3.2%, while advanced economies expanded by 1.6%.

Going forward, governments in advanced economies are expected to ease fiscal policies. The United States, whose GDP had already surpassed its pre-pandemic level, relaxed fiscal policies more than the Euro area and other economies where the recovery was ongoing. In the EMDEs, where productivity has declined below pre-pandemic levels, the fiscal stance has remained neutral.

The global growth estimate for 2023, at 3.2%, is anticipated to remain same across 2024 and 2025. Despite the resilient performance of the global economy, the projected growth remains below historical averages. However, the US economy is expected to perform better than expected, although downside risks to growth persist. Contributing factors to this trend include the implementation of stringent monetary policies, the withdrawal of fiscal support and subdued productivity growth. Advanced economies are expected to grow by 1.7%, and emerging markets and developing economies (EMDEs) are forecasted to grow by 4.2% in 2024. This growth will likely be supported by global inflation returning to target levels. Global inflation is expected to decrease from 5.9% in 2024 to 4.5% in 2025, potentially enabling major economies to ease policy rates and stimulate economic activities. Nevertheless, downside risks remain, which could negatively impact global growth prospects.



Source: IMF World Economic Outlook, April 2024

### Indian Economic Outlook

In FY 2023-24, the Indian economy maintained its status as one of the fastest-growing economies globally, outpacing its international peers with a GDP growth rate of 7.6%. This growth was driven by

increased public investment, a thriving service sector, consistent reform-oriented governance, and strong domestic demand for consumer services, alongside robust export demand for business services. India's leadership in the G20 facilitated significant multilateral initiatives, further bolstering the economy. The financial sector demonstrated resilience amid global challenges, and despite tighter fiscal policies, consumer price inflation remained below the 6% target.

Looking ahead, businesses are expected to perform better, supported by stable interest rates and deleveraged balance sheets. The Government of India and the Reserve Bank of India (RBI) have played crucial roles in strengthening the economy, helping shield the country from high global inflation and a sluggish global economy.

The Indian economy is projected to continue its positive growth trajectory in the coming years, with expectations to become the third-largest economy, surpassing a GDP of USD 5 trillion by FY 2027-28. Future government policies and programs are anticipated to foster comprehensive development across various economic sectors. The Interim Budget 2024-25 also emphasized enhancing the manufacturing industry, aligning with the Indian government's goal of establishing India as a manufacturing hub.

## INDUSTRY STRUCTURE AND DEVELOPMENTS

The Specialty Chemicals Industry in India has been experiencing substantial growth and development. Unlike commodity chemicals, specialty chemicals are known for their specific applications and unique properties, catering to various industries such as pharmaceuticals, agrochemicals, textiles, personal care products, construction, and more. Here is an overview of the industry structure and recent developments:

### Industry Structure:

The specialty chemicals industry in India is characterized by a diverse mix of large multinational corporations and smaller domestic companies. Several Indian firms have established themselves as significant players in the global specialty chemicals market. India has a strong presence in the production of pharmaceutical intermediates, which is a key contributor to the country's robust pharmaceutical sector.

India's success in the pharmaceutical intermediates market is driven by its strong chemical manufacturing base, skilled workforce, and cost competitiveness.

### Development and Trends:

The specialty chemicals industry in India is witnessing several important developments and trends:

- **Global Competitiveness:** Indian companies are increasingly competing on a global scale, leveraging their advanced manufacturing capabilities and cost-effectiveness.
- **Research and Development:** Companies are investing significantly in R&D to create innovative products and solutions, thereby expanding their product portfolios.
- **Regulations and Compliance:** Strict environmental regulations and safety standards are pushing companies to adopt greener and more sustainable practices.
- **Custom Manufacturing:** Indian companies have built a reputation for their custom manufacturing capabilities, providing tailor-made solutions to global customers.

- **Competitive Pricing:** India's cost advantage enables it to offer competitive pricing for pharmaceutical intermediates, making it an attractive outsourcing destination for global pharmaceutical companies.
- **Investments:** Both domestic and foreign investments are pouring into the Indian specialty chemicals sector, leading to capacity expansions and modernization of facilities.
- **Innovation:** Companies are emphasizing innovation to develop advanced chemicals with enhanced functionalities, catering to evolving customer demands.
- **Skill Development:** The industry is focusing on skill development initiatives to address the need for a skilled workforce capable of handling advanced chemical processes.

## OPPORTUNITIES AND THREATS

Pharmaceutical intermediaries play a pivotal role in the drug manufacturing process by providing the necessary chemical compounds and materials that form the foundation of pharmaceutical products. Here are some potential opportunities and threats in the pharmaceutical intermediary's industry:

Opportunities	Threats
<p><b>Growing Demand for Pharmaceuticals:</b> The global demand for pharmaceuticals continues to rise, leading to a consistent need for pharmaceutical intermediates.</p> <p><b>Increasing Outsourcing:</b> Many pharmaceutical companies are outsourcing the production of intermediates to specialized firms. This trend presents opportunities for intermediates manufacturers to expand their services and meet the growing demand.</p> <p><b>Technological Advancements:</b> Innovations in chemical synthesis, process optimization, and automation can enhance the efficiency and cost-effectiveness of intermediates production.</p> <p><b>Customization and Specialization:</b> There is potential for the company to specialize in producing specific types of intermediates or offering customization services. This approach can cater to the unique needs of pharmaceutical companies and increase the company's value proposition.</p> <p><b>Global Expansion:</b> The pharmaceutical industry is global, offering opportunities to expand operations into new markets, especially in regions with a growing pharmaceutical sector.</p>	<p><b>Regulatory Challenges:</b> The pharmaceutical industry's stringent regulations can pose significant challenges for intermediates manufacturers. Complying with these standards is often costly and time-consuming.</p> <p><b>Supply Chain Disruptions:</b> Global events such as pandemics, natural disasters, or geopolitical tensions can disrupt supply chains and affect the availability of raw materials needed for intermediates production.</p> <p><b>Quality Control and Safety:</b> Maintaining consistent quality and safety of intermediates is critical. Any issues in these areas can lead to product recalls, reputational damage, and legal liabilities.</p> <p><b>Fluctuating Raw Material Costs:</b> The prices of raw materials used in intermediates manufacturing can be volatile. Sudden increases in costs can impact profitability if manufacturers cannot pass these costs on to clients.</p> <p><b>Environmental Concerns:</b> Increasing scrutiny on environmental sustainability requires manufacturers to adopt eco-friendly practices, which can incur additional costs.</p>

## STRENGTHS AND WEAKNESSES

Pharmaceutical intermediaries play a crucial role in the drug manufacturing process, serving as the link between the raw materials and the final pharmaceutical products. Here are some strengths and weaknesses associated with pharmaceutical intermediaries:

Strengths	Weaknesses
<p><b>Market Demand:</b> Pharmaceutical intermediaries are crucial in the drug manufacturing process, ensuring a consistent demand for their products.</p> <p><b>High Entry Barriers:</b> The industry requires significant investment in research, technology, and compliance with stringent regulations, which limits new competition.</p> <p><b>Essential Link in Drug Production:</b> Pharmaceutical intermediaries are crucial components in the synthesis of active pharmaceutical ingredients (APIs) and final drug formulations. They serve as the building blocks for drug manufacturing.</p> <p><b>Cost Efficiency:</b> Outsourcing the production of intermediaries to specialized manufacturers can be cost-effective for pharmaceutical companies, as it allows them to focus on their core competencies.</p> <p><b>Global Reach:</b> The manufacturers often have a global presence and can provide their services to pharmaceutical companies worldwide.</p> <p><b>Research and Development:</b> The manufacturers invest in research and development to discover new synthetic routes and improve the efficiency of existing processes, which can lead to innovative solutions.</p> <p><b>Regulatory Compliance:</b> manufacturers are well-versed in regulatory requirements and quality standards, ensuring that their products meet the necessary regulatory guidelines.</p>	<p><b>Dependency on Raw Materials:</b> The availability and quality of raw materials for production can be unpredictable, leading to potential supply chain disruptions.</p> <p><b>Regulatory Challenges:</b> Meeting complex regulatory standards and maintaining compliance can be challenging, requiring substantial resources and effort.</p> <p><b>High Operational Costs:</b> Costs related to R&amp;D, compliance, and technology upgrades can be substantial.</p> <p><b>Quality Control Struggles:</b> Ensuring consistent quality across batches is essential. Any deviation in quality can impact the final product's safety and efficiency.</p> <p><b>Market Competition:</b> The pharmaceutical intermediaries market can be competitive, with multiple manufacturers vying for contracts. This can lead to pricing pressures and reduced profit margins.</p> <p><b>Dependency on Pharmaceutical Industry:</b> The demand for intermediaries is closely tied to the pharmaceutical industry's health. Shifts in the industry, such as changes in drug development strategies, could impact the demand for intermediaries.</p> <p><b>Innovation Pressure:</b> Continuous need for innovation to keep up with the latest pharmaceutical advancements and maintain a competitive edge.</p>

**OPERATIONAL REVIEW**

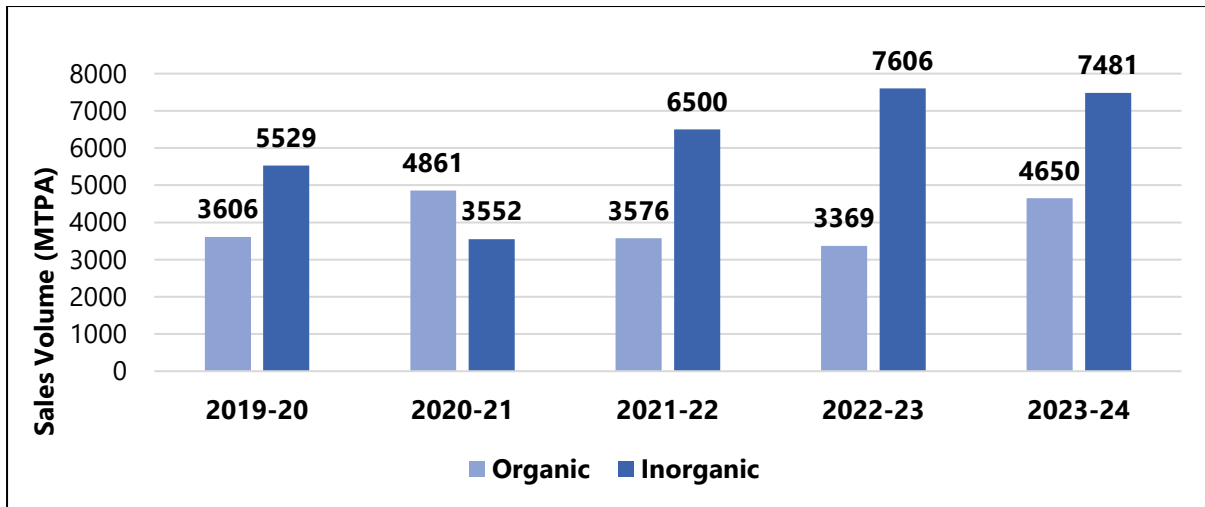
Chemcon Specialty Chemicals Limited offers a wide range of specialty chemicals, including both organic and inorganic varieties. We are a leading manufacturer of specialized chemicals, such as HMDS and CMIC, which are primarily used in the pharmaceutical industry. Additionally, we produce Bromobenzene, which serves as an agrochemical intermediate, and inorganic bromides, predominantly used as completion fluids in the oilfield industry.

Manufacturing Plants at Manjusar, Vadodara

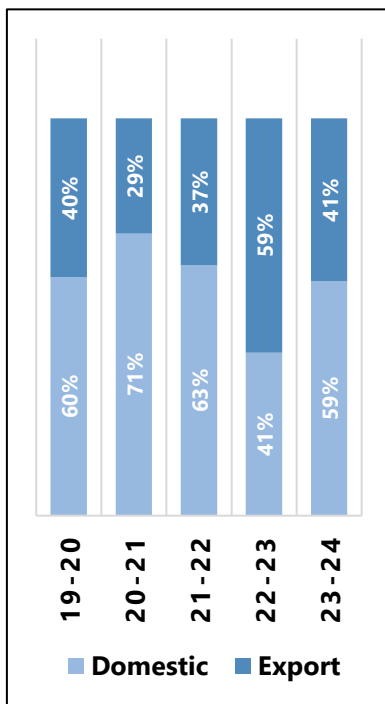


Our manufacturing plants are located at Manjusar, Vadodara in Gujarat. We have nine individual operational plants, along with warehouses for storage of the products and raw materials. Additionally, we have an in-house laboratory dedicated to testing procured raw materials and products at various stages of the manufacturing process, as well as conducting research and development for new products.

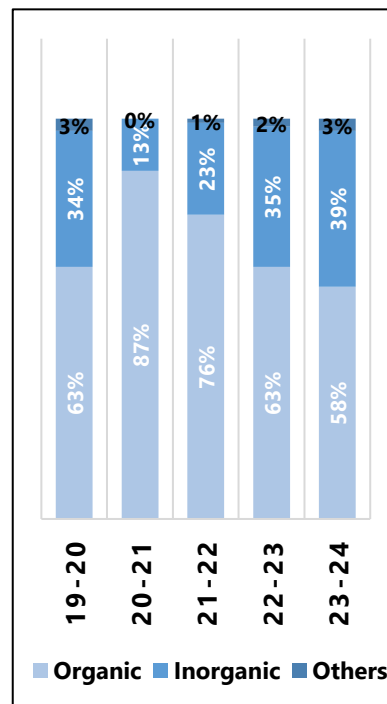
### SEGMENT WISE PERFORMANCE



Geographic-Wise (%)



Business-wise (%)



### RISKS AND CONCERNS

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

These risks may be caused by the internal and external factors resulting into impairment of the assets of the Company causing adverse influence on the achievement of Company's strategies, operational and financial objectives, earning capacity and financial position.

The Company evaluates and reviews risks periodically to develop new strategies in response to evolving market conditions. The organization believes in mitigating risks at the rudimentary stage so that operations can continue uninterrupted without harming the People and Property. Through the combined efforts of the Audit Committee and the Management, risks are identified and minimised to the levels which can be predicted with reasonable accuracy. The Company's commitment to risk management is an integral part of its broader mission to build a sustainable and successful business that can survive any storm.

Risk	Mitigation strategies
Raw material risk	Our supply chain management practices are meticulously designed to secure a consistent and reliable supply of raw materials at competitive prices, bolstered by long-standing relationships with trusted suppliers. Moreover, our innovative raw material-plus pricing mechanism for the Specialty Chemicals segment mitigates the risk of margin pressures due to fluctuations in input costs. This strategic approach ensures that we maintain profitability and financial stability, even amidst market volatility.
Customer retention risk	The Company's unwavering commitment to delivering high-quality products and services has earned it a loyal customer base. By prioritizing customer satisfaction, the Company has become the preferred supplier for many of its clients, significantly reducing the risk of customer attrition. This strategic focus has also provided diversification benefits, lowering the risk associated with client concentration and ensuring continued growth and success.
Talent availability risk	The company values talent as crucial for organizational success and is dedicated to cultivating an environment that supports both personal and professional growth. Through investments in diverse training programs, we empower our employees with the skills needed to thrive in a rapidly evolving industry. By fostering a culture of collaboration and unity, we not only attract but also retain top talent in a competitive job market.
Foreign exchange risk	Company proactively manages currency risk by closely monitoring the movement of the Rupee and taking strategic actions to mitigate any unfavourable fluctuations.
Regulatory risk	The company rigorously complies with regulatory mandates from relevant authorities and proactively meets international market standards. These efforts ensure smooth business operations and the effective execution of our strategies.
Risk of market volatility and instability	The company has embraced a forward-looking strategy to reduce reliance on any single geography or market. With a significantly expanded global footprint, our commitment to continued growth remains unwavering for the future.

### INTERNAL CONTROLS

The Company's Board of Directors holds the responsibility for establishing and ensuring robust internal financial controls. Comprehensive internal control mechanisms are in place throughout the organization to enhance operational efficiency and compliance with regulatory requirements. The Board oversees the adequacy and effectiveness of these controls, aligning them with the Internal Financial Controls framework under the Companies Act, 2013.



Our internal control systems are tailored to the nature, scale, geographical reach, and complexity of our operations. They provide reasonable assurance regarding operational efficiency, the reliability of financial reporting, compliance with laws and regulations, fraud prevention, error detection, and asset protection.

Regular internal inspections and audits verify compliance with obligations. Senior Management evaluates and certifies the effectiveness of financial reporting controls, adherence to codes of conduct and Company policies, and compliance with established procedures, particularly in transactions involving personal or potential conflicts of interest. Independent internal auditors further strengthen our control processes.

The Company has established comprehensive internal control systems, processes, rules, policies, and procedures across its entire organization. The Audit Committee reviews and approves the audit plan, convening regularly to discuss auditor reports and significant findings, and receives updates on measures taken in response to audit findings.

## HUMAN RESOURCES

The Company values its employees as its greatest assets and has a proficient human resource team that implements employee-centric policies aimed at the holistic development of both the Company and its employees. To promote inclusive growth, the Company has established employee-friendly policies designed to attract top talent, provide continuous training and engagement, and ensure high retention rates. This approach lays a solid foundation for a strong human capital. Furthermore, the Company regularly conducts programs and initiatives focused on talent management, capability development, and employee performance enhancement. As of March 31, 2024, the Company boasted a dedicated team of 220 permanent employees.

In addition, the Company prioritizes the training of employees in safety protocols and compliance with industry regulations and standards. Regular safety training sessions, meticulous record-keeping, and a culture that prioritizes safety are fundamental practices. Health and safety regulations are of utmost importance to the Company.

## FINANCIAL REVIEW OF THE YEAR

The sales for the year under review decreased to Rs. 267.1 Crore as compared to Rs. 302.9 Crore in the previous year. The profit before tax for the year under review is Rs. 26.3 Crore as compared to Rs. 74.2 Crore in the previous year. The profit after tax is Rs. 19.2 Crore in the current year as against Rs. 55.1 Crore in the previous year. Earnings Per Share in FY 2023-24 was Rs. 5.24 as compared to Rs. 15.04 in the previous year.

The table below sets forth some of the key financial indicators for FY 2023-24 and FY 2022-23:

(Rs. in Crore)		
Particulars	FY 2023-24	FY 2022-23
<b>Revenue from Operations</b>	<b>267.1</b>	<b>302.9</b>
Cost of Goods Sold	188.9	175.7
Employee Cost	18.0	20.5
Other Expenses	33.3	35.9
<b>EBITDA</b>	<b>26.9</b>	<b>70.7</b>

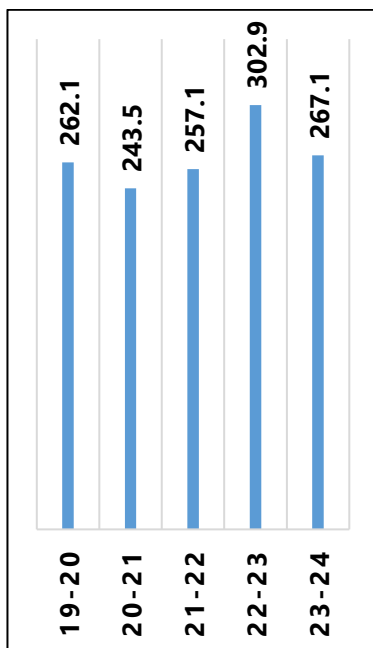
Particulars	FY 2023-24	FY 2022-23
<b>EBITDA Margin %</b>	<b>10.1%</b>	<b>23.3%</b>
Other Income	13.2	13.3
Depreciation	10.3	8.4
<b>EBIT</b>	<b>29.8</b>	<b>75.6</b>
<b>EBIT Margin %</b>	<b>11.2%</b>	<b>25.0%</b>
Finance Cost	3.5	1.5
<b>Profit Before Tax</b>	<b>26.3</b>	<b>74.2</b>
Tax	7.2	19.0
<b>PAT</b>	<b>19.2</b>	<b>55.1</b>
<b>PAT Margin %</b>	<b>7.2%</b>	<b>18.2%</b>
Basic EPS (In INR)	5.24	15.04

The decline in margins was largely on account of headwinds from supply chain disruption, chip shortages, rising inflation, rising interest rates, fluctuations in foreign currency transactions, geopolitical conflicts, increase in employee costs and cost of goods sold due to rise in material cost. In order to counter the inflationary pressures, we focused on cost optimization and improved cost control. Additionally, the INR depreciation in the global forex market has also impacted profitability during the year.

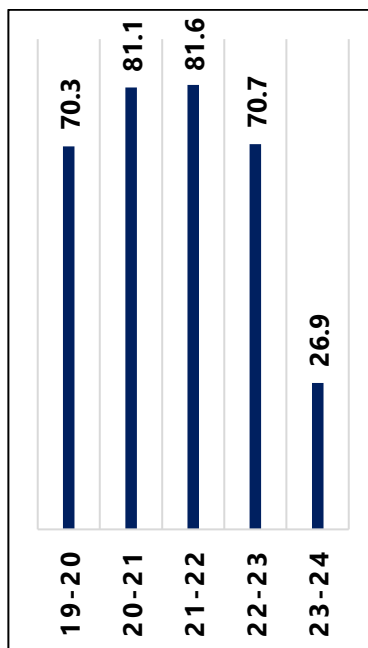
Despite recent disruptions in the industry, we have successfully commissioned several capex projects which we will continue to gradually scale-up over the next few years.

## FINANCIAL TRENDS

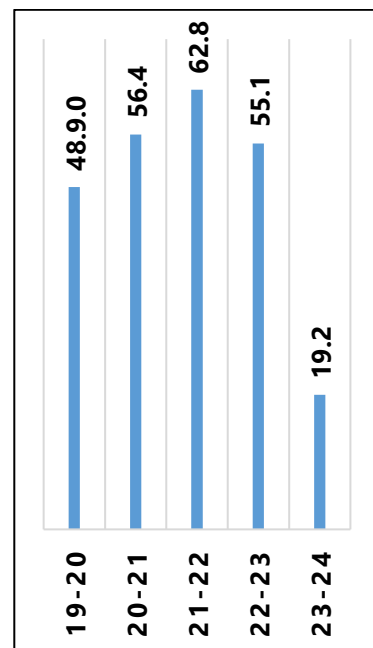
Total Revenue (in Crore)



EBITDA (in Crore)



PAT (in Crore)



## KEY FINANCIAL RATIOS

Sr. No.	Particulars	FY 2023-24	FY 2022-23	% of Variance	Reason for Variance if above 25%
1.	Debtors Turnover Ratio (times)	<b>3.55</b>	3.54	<b>0.27%</b>	No Significant Changes.
2.	Inventory Turnover Ratio (times)	<b>3.80</b>	5.31	<b>-28.33%</b>	Decrease is primarily due to increase in average inventory level.
3.	Debt service coverage Ratio (times)	<b>8.23</b>	18.02	<b>-54.33%</b>	Decrease is primarily due to decrease in Operating Margins.
4.	Current Ratio (times)	<b>5.54</b>	3.41	<b>62.49%</b>	Increase is primarily due to increase in short-term bank deposit and repayment of short-term borrowing.
5.	Debt Equity Ratio (times)	<b>0.09</b>	0.14	<b>-35.86%</b>	Decrease is primarily due to repayment of short-term borrowing.
6.	Operating Profit Margin (%) (EBIT)	<b>11.2%</b>	25.00%	<b>-13.80%</b>	No Significant Changes.
7.	Net Profit Margin (%) (PAT)	<b>7.23%</b>	18.29%	<b>-11.06%</b>	No Significant Changes.
8.	Return on Net Worth (%)	<b>4.03%</b>	12.05%	<b>-8.02%</b>	No Significant Changes.



## CHEMCON SPECIALITY CHEMICALS LIMITED

CIN: L24231GJ1988PLC011652

Reg.off.: Block No. 355, Manjusar-Kunpad Road, Village: Manjusar, Taluka: Savli, Dist.: Vadodara – 391 775, Gujarat  
Tel. +91 265 2981195 / 2983754 | Email: [investor.relations@cscpl.com](mailto:investor.relations@cscpl.com) | Website: [www.cscpl.com](http://www.cscpl.com)

### Notice of 35<sup>th</sup> Annual General Meeting

**NOTICE** is hereby given that the Thirty-fifth Annual General Meeting (AGM) of the members of Chemcon Speciality Chemicals Limited (the Company) will be held on Thursday, September 26, 2024, at 11.30 a.m. (IST) through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of Directors and the Auditors thereon;
2. To appoint a director in place of Mr. Rajveer Kamal Aggarwal (DIN: 07883896), who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of M/s. Shah Mehta & Bakshi, Chartered Accountants (FRN. 103824W) as the Statutory Auditors of the Company.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Shah Mehta & Bakshi, Chartered Accountants (FRN. 103824W), be and are hereby appointed as Statutory Auditors of the Company to hold office for a period of 5 (five) years from the conclusion of this Annual General Meeting till the conclusion of 40<sup>th</sup> Annual General Meeting of the Company, at a remuneration as may be mutually agreed to, between the Board of Directors and M/s. Shah Mehta & Bakshi, plus applicable taxes, out-of-pocket expenses, travelling and other expenses, in connection with the work of audit to be carried out by them.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters, things and take all such steps as maybe necessary, proper or expedient to give effect to this Resolution.”

#### SPECIAL BUSINESS:

4. Ratification of remuneration of the Cost Auditors for the financial year ending March 31, 2025.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules,

2014 (including any statutory modification or re-enactment thereof, for the time being in force), the remuneration of ₹ 70,000/- (INR Seventy Thousand Only) plus XBRL conversion charges, reimbursement of out-of-pocket expenses as per actuals and applicable government taxes/levies, in connection with the audit, payable to M/s Chetan Gandhi & Associates, Cost Accountants (Firm Registration No. 101341), who have been appointed by the Board of Directors as the Cost Auditors of the Company to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2025, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters, things and take all such steps as maybe necessary, proper or expedient to give effect to this Resolution.”

5. Appointment of Mr. Naresh Vijaykumar Goyal (DIN: 00139277) as a Director of the Company.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable regulations of SEBI (LODR) Regulations, 2015, (including any statutory modifications or re-enactment thereof for the time being in force), and in accordance with the Articles of Association of the Company, Mr. Naresh Vijaykumar Goyal (DIN: 00139277), who was appointed as an Additional Director of the Company with effect from August 3, 2024 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Act, who is eligible for appointment as a Director and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, who shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters, things and take all such steps as maybe necessary, proper or expedient to give effect to this Resolution.”

6. Appointment of Mr. Ketan Bhailal Shah (DIN: 00058966) as a director and as an Independent Director.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** Mr. Ketan Bhailal Shah (DIN: 00058966), who was appointed as an Additional Director (Non-executive and Independent) of the Company with effect from August 22, 2024 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (‘the Act’) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Articles of Association of the Company, who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152, Schedule IV and other applicable provisions, if any, of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 16, Regulation 17, Regulation 25 and other applicable regulations of SEBI (LODR) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of Mr. Ketan Bhailal Shah as an independent director, who meets the criteria of independence as provided under Section 149(6)

of the Act and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015 and who has submitted a declaration to that effect and who is eligible for appointment as an independent director, be and is hereby approved for a term of five years, w.e.f. August 22, 2024, and who would not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters, things and take all such steps as maybe necessary, proper or expedient to give effect to this Resolution.”

7. To approve increase in remuneration of Mr. Rajesh Chimanlal Gandhi (DIN: 03296784), Whole-time Director & Chief Financial Officer of the Company.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V to the Act (including any statutory modification or re-enactment thereof, for the time being in force), the approval of the members be and is hereby accorded to the revision in the remuneration of Mr. Rajesh Chimanlal Gandhi (DIN: 03296784), Whole Time Director & Chief Financial Officer of the Company with effect from 1<sup>st</sup> October 2023, on the following terms and conditions, as recommended by the Nomination and Remuneration Committee of the Company and approved by the Board, for the remaining period of his tenure.

**a) Basic Salary:** The Basic Salary of Mr. Rajesh Chimanlal Gandhi shall be ₹ 4.05 lakhs per month with the authority to the Board of Directors to determine any increments from time to time during the term of his appointment as per the recommendations of the Nomination and Remuneration Committee.

**b) Perquisites and Allowances:** Contribution to Provident fund, Superannuation fund and payment of Gratuity as per the applicable rules.

**c) Reimbursement of expenses:** Expenses incurred by Mr. Rajesh Chimanlal Gandhi for and on behalf of the Company including his travelling, boarding, lodging, communication expenses shall be reimbursed at actuals and shall not form part of his remuneration.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, Mr. Rajesh Chimanlal Gandhi shall be entitled to receive remuneration upto the limit as approved herein above as minimum remuneration in compliance with applicable law notwithstanding that such remuneration may exceed the limits prescribed under Section 197 and Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board shall have the discretion and authority to modify the aforesaid terms and remuneration, however, within the limit as approved by the members.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters, things and take all such steps as maybe necessary, proper or expedient to give effect to this Resolution.”

8. To approve increase in remuneration of Mr. Himanshu Prafulchandra Purohit (DIN: 03296807), Whole-time Director of the Company.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V to the Act (including

any statutory modification or re-enactment thereof, for the time being in force), the approval of the members be and is hereby accorded to the revision in the remuneration of Mr. Himanshu Prafulchandra Purohit (DIN: 03296807), Whole Time Director of the Company with effect from 1<sup>st</sup> October 2023, on the following terms and conditions, as recommended by the Nomination and Remuneration Committee of the Company and approved by the Board, for the remaining period of his tenure.

**a) Basic Salary:** The Basic Salary of Mr. Himanshu Prafulchandra Purohit shall be ₹ 4.05 lakhs per month with the authority to the Board of Directors to determine any increments from time to time during the term of his appointment as per the recommendations of the Nomination and Remuneration Committee.

**b) Perquisites and Allowances:** Contribution to Provident fund, Superannuation fund and payment of Gratuity as per the applicable laws.

**c) Reimbursement of expenses:** Expenses incurred by Mr. Himanshu Prafulchandra Purohit for and on behalf of the company including his travelling, boarding, lodging, communication expenses shall be reimbursed at actuals and shall not form part of his remuneration.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, Mr. Himanshu Prafulchandra Purohit shall be entitled to receive remuneration upto the limit as approved herein above as minimum remuneration in compliance with applicable law notwithstanding that such remuneration may exceed the limits prescribed under Section 197 and Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board shall have the discretion and authority to modify the aforesaid terms and remuneration, however, within the limit as approved by the members.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters, things and take all such steps as maybe necessary, proper or expedient to give effect to this Resolution."

9. To approve increase in remuneration of Mr. Kamalkumar Rajendra Aggarwal (DIN: 00139199), Chairman & Managing Director of the Company.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V to the Act (including any statutory modification or re-enactment thereof, for the time being in force), the approval of the members be and is hereby accorded to the revision in the remuneration of Mr. Kamalkumar Rajendra Aggarwal (DIN: 00139199), Chairman & Managing Director of the Company with effect from 1<sup>st</sup> April, 2024, on the following terms and conditions, as recommended by the Nomination and Remuneration Committee of the Company and approved by the Board, for the remaining period of his tenure.

**a) Basic Salary:** The Basic Salary of Mr. Kamalkumar Rajendra Aggarwal shall be ₹ 6 Lakhs per month with the authority to the Board of Directors to determine any increments from time to time during the term of his appointment as per the recommendations of the Nomination and Remuneration Committee.

**b) Variable Pay linked to profit:** Mr. Kamalkumar Rajendra Aggarwal for every financial year shall be paid Variable Pay up to 4% of the net profits of the Company computed in the manner laid down in Section 198 of the Act for the concerned financial year during his tenure as the Managing Director of the Company.

**c) Reimbursement of expenses:** Expenses incurred by Mr. Kamalkumar Rajendra Aggarwal for and on behalf of the company including his travelling, boarding, lodging, communication expenses shall be reimbursed at actuals and shall not form part of his remuneration.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, Mr. Kamalkumar Rajendra Aggarwal shall be entitled to receive remuneration upto the limit as approved herein above as minimum remuneration in compliance with applicable law notwithstanding that such remuneration may exceed the limits prescribed under Section 197 and Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board shall have the discretion and authority to modify the aforesaid terms and remuneration, however, within the limit as approved by the members.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters, things and take all such steps as maybe necessary, proper or expedient to give effect to this Resolution.”

10. Appointment of Mr. Naresh Vijaykumar Goyal (DIN: 00139277) as a Joint Managing Director of the Company.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the rules made thereunder and SEBI (LODR) Regulations, 2015 (including any statutory modification or re-enactment thereof, for the time being in force), and in accordance with the Articles of Association of the Company, Mr. Naresh Vijaykumar Goyal (DIN: 00139277) be and is hereby appointed as a Joint Managing Director of the Company, not liable to retire by rotation, for a period of 3 (Three) years beginning from August 3, 2024 till August 2, 2027, on such terms and conditions of remuneration as mentioned in this resolution below.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the rules made thereunder and SEBI (LODR) Regulations, 2015 (including any statutory modification or re-enactment thereof, for the time being in force), and in accordance with the Articles of Association of the Company, the approval of the members of the Company be and is hereby accorded for the payment of such remuneration to Mr. Naresh Vijaykumar Goyal during his tenure as the Joint Managing Director of the Company as detailed herein below, notwithstanding that such remuneration may exceed the limits prescribed under Section 197 and Schedule V of the Act and/or Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015:

**a) Basic Salary:** The Basic Salary of Mr. Naresh Vijaykumar Goyal shall be ₹ 3.00 Lakhs per month with the authority to the Board of Directors to determine any increments from time to time during the term of his appointment as per the recommendations of the Nomination and Remuneration Committee.

**b) Variable Pay linked to profit:** Mr. Naresh Vijaykumar Goyal for every financial year shall be paid Variable Pay up to 4% of the net profits of the Company computed in the manner laid down in Section 198 of the Act for the concerned financial year during his tenure as the Joint Managing Director of the Company.

**c) Reimbursement of expenses:** Expenses incurred by Mr. Naresh Vijaykumar Goyal for and on behalf of the company including his travelling, boarding, lodging, communication expenses shall be reimbursed at actuals and shall not form part of his remuneration.



**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, Mr. Naresh Vijaykumar Goyal shall be entitled to receive remuneration upto the limit as approved herein above as minimum remuneration in compliance with applicable law notwithstanding that such remuneration may exceed the limits prescribed under Section 197 and Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board shall have the discretion and authority to modify the aforesaid terms and remuneration, however, within the limit as approved by the members.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters, things and take all such steps as maybe necessary, proper or expedient to give effect to this Resolution.”

11. Appointment of Mr. Navdeep Naresh Goyal (DIN: 02604876) as a Whole-time Director of the Company.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the rules made thereunder and SEBI (LODR) Regulations, 2015 (including any statutory modification or re-enactment thereof, for the time being in force), and in accordance with the Articles of Association of the Company, Mr. Navdeep Naresh Goyal (DIN: 02604876) be and is hereby appointed as a Whole-time Director of the Company, liable to retire by rotation, for a period of 3 (Three) years beginning from August 3, 2024 till August 2, 2027, on such terms and conditions of remuneration as mentioned in this resolution below.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the rules made thereunder and SEBI (LODR) Regulations, 2015 (including any statutory modification or re-enactment thereof, for the time being in force), and in accordance with the Articles of Association of the Company, the approval of the members of the Company be and is hereby accorded for the payment of such remuneration to Mr. Navdeep Naresh Goyal during his tenure as the Whole-time Director of the Company as detailed herein below, notwithstanding that such remuneration may exceed the limits prescribed under Section 197 and Schedule V of the Act and/or Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015:

**a) Basic Salary:** The Basic Salary of Mr. Navdeep Naresh Goyal shall be ₹ 3.00 lakhs per month with the authority to the Board of Directors to determine any increments from time to time during the term of his appointment as per the recommendations of the Nomination and Remuneration Committee.

**b) Reimbursement of expenses:** Expenses incurred by Mr. Navdeep Naresh Goyal for and on behalf of the company including his travelling, boarding, lodging, communication expenses shall be reimbursed at actuals and shall not form part of his remuneration.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, Mr. Navdeep Naresh Goyal shall be entitled to receive remuneration upto the limit as approved herein above as minimum remuneration in compliance with applicable law notwithstanding that such remuneration may exceed the limits prescribed under Section 197 and Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board shall have the discretion and authority to modify the aforesaid terms and remuneration, however, within the limit as approved by the members.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters, things and take all such steps as maybe necessary, proper or expedient to give effect to this Resolution.”

12. Re-appointment of Mr. Kamalkumar Rajendra Aggarwal (DIN: 00139199) as a Managing Director of the Company.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the rules made thereunder and SEBI (LODR) Regulations, 2015 (including any statutory modification or re-enactment thereof, for the time being in force), and in accordance with the Articles of Association of the Company, Mr. Kamalkumar Rajendra Aggarwal (DIN: 00139199) be and is hereby re-appointed as a Managing Director of the Company, not liable to retire by rotation, for a period of 3 (Three) years beginning from May 1, 2025 till April 30, 2028, on such terms and conditions of remuneration as mentioned in this resolution below.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the rules made thereunder and SEBI (LODR) Regulations, 2015 (including any statutory modification or re-enactment thereof, for the time being in force), and in accordance with the Articles of Association of the Company, the approval of the members of the Company be and is hereby accorded for the payment of such remuneration to Mr. Kamalkumar Rajendra Aggarwal during his tenure as the Managing Director of the Company as detailed herein below, notwithstanding that such remuneration may exceed the limits prescribed under Section 197 and Schedule V of the Act and/or Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015:

**a) Basic Salary:** The Basic Salary of Mr. Kamalkumar Rajendra Aggarwal shall be ₹ 6.00 Lakhs per month with the authority to the Board of Directors to determine any increments from time to time during the term of his appointment as per the recommendations of the Nomination and Remuneration Committee.

**b) Variable Pay linked to profit:** Mr. Kamalkumar Rajendra Aggarwal for every financial year shall be paid Variable Pay up to 4% of the net profits of the Company computed in the manner laid down in Section 198 of the Act for the concerned financial year during his tenure as the Managing Director of the Company.

**c) Reimbursement of expenses:** Expenses incurred by Mr. Kamalkumar Rajendra Aggarwal for and on behalf of the company including his travelling, boarding, lodging, communication expenses shall be reimbursed at actuals and shall not form part of his remuneration.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, Mr. Kamalkumar Rajendra Aggarwal shall be entitled to receive remuneration upto the limit as approved herein above as minimum remuneration in compliance with applicable law notwithstanding that such remuneration may exceed the limits prescribed under Section 197 and Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board shall have the discretion and authority to modify the aforesaid terms and remuneration, however, within the limit as approved by the members.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters, things and take all such steps as maybe necessary, proper or expedient to give effect to this Resolution.”

13. Re-appointment of Mr. Rajesh Chimanlal Gandhi (DIN: 03296784) as a Whole-time Director of the Company.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the rules made thereunder and SEBI (LODR) Regulations, 2015 (including any statutory modification or re-enactment thereof, for the time being in force), and in accordance with the Articles of Association of the Company, Mr. Rajesh Chimanlal Gandhi (DIN: 03296784) be and is hereby re-appointed as a Whole-time Director of the Company, liable to retire by rotation, for a period of 3 (Three) years beginning from May 1, 2025 till April 30, 2028, on such terms and conditions of remuneration as mentioned in this resolution below.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the rules made thereunder and SEBI (LODR) Regulations, 2015 (including any statutory modification or re-enactment thereof, for the time being in force), and in accordance with the Articles of Association of the Company, the approval of the members of the Company be and is hereby accorded for the payment of such remuneration to Mr. Rajesh Chimanlal Gandhi during his tenure as the Whole-time Director of the Company as detailed herein below, notwithstanding that such remuneration may exceed the limits prescribed under Section 197 and Schedule V of the Act:

**a) Basic Salary:** The Basic Salary of Mr. Rajesh Chimanlal Gandhi shall be ₹ 4.05 lakhs per month with the authority to the Board of Directors to determine any increments from time to time during the term of his appointment as per the recommendations of the Nomination and Remuneration Committee.

**b) Perquisites and Allowances:** Contribution to Provident fund, Superannuation fund and payment of Gratuity as per the applicable laws.

**c) Reimbursement of expenses:** Expenses incurred by Mr. Rajesh Chimanlal Gandhi for and on behalf of the company including his travelling, boarding, lodging, communication expenses shall be reimbursed at actuals and shall not form part of his remuneration.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, Mr. Rajesh Chimanlal Gandhi shall be entitled to receive remuneration upto the limit as approved herein above as minimum remuneration in compliance with applicable law notwithstanding that such remuneration may exceed the limits prescribed under Section 197 and Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board shall have the discretion and authority to modify the aforesaid terms and remuneration, however, within the limit as approved by the members.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters, things and take all such steps as maybe necessary, proper or expedient to give effect to this Resolution.”

14. Re-appointment of Mr. Himanshu Prafulchandra Purohit (DIN: 03296807) as a Whole-time Director of the Company.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the rules made

thereunder and SEBI (LODR) Regulations, 2015 (including any statutory modification or re-enactment thereof, for the time being in force), and in accordance with the Articles of Association of the Company, Mr. Himanshu Prafulchandra Purohit (DIN: 03296807) be and is hereby re-appointed as a Whole-time Director of the Company, liable to retire by rotation, for a period of 3 (Three) years beginning from May 1, 2025 till April 30, 2028, on such terms and conditions of remuneration as mentioned in this resolution below.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the rules made thereunder and SEBI (LODR) Regulations, 2015 (including any statutory modification or re-enactment thereof, for the time being in force), and in accordance with the Articles of Association of the Company, the approval of the members of the Company be and is hereby accorded for the payment of such remuneration to Mr. Himanshu Prafulchandra Purohit during his tenure as the Whole-time Director of the Company as detailed herein below, notwithstanding that such remuneration may exceed the limits prescribed under Section 197 and Schedule V of the Act:

**a) Basic Salary:** The Basic Salary of Mr. Himanshu Prafulchandra Purohit shall be ₹ 4.05 lakhs per month with the authority to the Board of Directors to determine any increments from time to time during the term of his appointment as per the recommendations of the Nomination and Remuneration Committee.

**b) Perquisites and Allowances:** Contribution to Provident fund, Superannuation fund and payment of Gratuity as per the applicable laws.

**c) Reimbursement of expenses:** Expenses incurred by Mr. Himanshu Prafulchandra Purohit for and on behalf of the company including his travelling, boarding, lodging, communication expenses shall be reimbursed at actuals and shall not form part of his remuneration.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, Mr. Himanshu Prafulchandra Purohit shall be entitled to receive remuneration upto the limit as approved herein above as minimum remuneration in compliance with applicable law notwithstanding that such remuneration may exceed the limits prescribed under Section 197 and Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board shall have the discretion and authority to modify the aforesaid terms and remuneration, however, within the limit as approved by the members.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters, things and take all such steps as maybe necessary, proper or expedient to give effect to this Resolution."

**Registered Office:**

Block No. 355, Manjusar-Kunpad Road,  
Village: Manjusar, Taluka: Savli,  
Dist.: Vadodara – 391 775, Gujarat

Place: Vadodara  
Date: August 22, 2024

By Order of the Board  
**For Chemcon Speciality Chemicals Limited**

**Shahilkumar Kapatel**  
Company Secretary & Compliance Officer  
M. No.: A52211

## NOTES:

1. In terms of General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 (collectively referred to as "MCA Circulars") issued by the Ministry of Corporate Affairs ("MCA"), the Annual General Meeting ("AGM") is being held through Video Conferencing ("VC") facility / Other Audio Visual Means ("OAVM") without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 ("the Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") and the MCA Circulars, the 35<sup>th</sup> AGM of the Company is being held through VC/OAVM on Thursday, September 26, 2024, at 11:30 a.m. (IST). The proceedings of the 35<sup>th</sup> AGM shall be deemed to be conducted at the Registered Office of the Company at Block No. 355, Manjusar-Kunpad Road, Village: Manjusar, Taluka: Savli, Dist.: Vadodara – 391 775, Gujarat.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip, and route map of AGM are not annexed to this notice.
3. The Explanatory Statement pursuant to Section 102 of the Act setting out the material concerning the business under item nos. 3 to 14 of the Notice and the details as required under Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) in respect of the Directors seeking appointment/ re-appointment at this Annual General Meeting is annexed hereto.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
7. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act will be available electronically for inspection by the Members during the AGM. All documents referred to in this Notice will also be available for electronic inspection by the members from the date of circulation of this Notice up to the date of 35<sup>th</sup> AGM, i.e., Thursday, September 26, 2024, without any fee. Members seeking to inspect such documents can send an email to [investor.relations@cscpl.com](mailto:investor.relations@cscpl.com) by mentioning their Name, PAN and Folio Number / DP ID and Client ID.

8. In terms of the MCA Circulars and SEBI Circulars, the Notice of the 35<sup>th</sup> AGM along with the Annual Report for financial year 2023-24 are being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depositories. The Company shall send the physical copy of the Annual Report 2023-24 only to those Member who specifically request for the same at [investor.relations@cscpl.com](mailto:investor.relations@cscpl.com) mentioning their Folio No./DP ID and Client ID, full name, PAN, number of shares held and address. The Notice convening the AGM and the Annual Report 2023-24 has been uploaded on the website of the Company at [www.cscpl.com](http://www.cscpl.com) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. The AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
9. The Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 35<sup>th</sup> AGM and the Annual Report 2023-24 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:
  - a. For Members holding shares in physical form - please send scan copy of a signed request letter mentioning your name, folio number, complete address, email address to be registered along with scanned share certificate (front and back), self- attested scanned copy of the PAN and self-attested scanned copy of address proof, by email to the Company's email address at: [investor.relations@cscpl.com](mailto:investor.relations@cscpl.com).
  - b. For the Members holding shares in demat form: please update your email address through your respective Depository Participant/s.
10. **Cut-off Date:** Thursday, September 19, 2024, would be the cut-off date for the purpose of reckoning the members / beneficial owners entitled to e-vote and attend the AGM through VC/OAVM. The voting rights of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the said cut- off date. Further, there is no closure of Register of Members and Share Transfer Book of the Company.
11. SEBI vide its Circular dated November 3, 2021, December 14, 2021, and March 16, 2023, mandated furnishing of PAN, KYC details (i.e. postal address with pin code, email address, mobile number, bank account details) and Nomination details by holders of physical securities through Form ISR-1, the format of which is available on the Company's website at [www.cscpl.com](http://www.cscpl.com). It may be noted that any service request or complaint can be processed only after the folio is KYC compliant.

In terms of SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, folios of Physical shareholders wherein any one of the above said details such as PAN, email address, mobile number, bank account details and nomination are not available on or after October 01, 2023, shall be frozen by the RTA.

The security holder(s) whose folio(s) have been frozen shall be eligible to lodge grievance or avail any service request from the RTA only after furnishing the complete documents / details as mentioned above. Also, with effect from April 01, 2024, the security holder(s) whose folio(s) have been frozen shall be eligible for any payment including dividend, interest or redemption payment in respect of such frozen folios, only through electronic mode. An intimation will be sent by the Company to the securityholder that such payment is due and shall be made electronically only upon receipt of the complete documents / details as mentioned above.

Further, the frozen folios shall be referred by RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002,

if they continue to remain frozen as on December 31, 2025. The RTA shall revert the frozen folios to normal status upon receipt of all the documents/details as above.

12. In accordance with Regulation 40 of SEBI (LODR) Regulations, 2015, as amended, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository. Also, transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. Accordingly, members holding shares of the Company in physical form are requested to get their shares converted into demat/electronic form to get inherent benefits of dematerialisation.
13. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the Company's website at [www.cscpl.com](http://www.cscpl.com). It may be noted that any service request or complaint can be processed only after the folio is KYC compliant.
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form.
15. **Nomination facility:** As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he / she may submit the same in Form ISR-3 or Form SH-14, as the case may be. The said forms can be downloaded from the Company's website at [www.cscpl.com](http://www.cscpl.com). Members are requested to submit the said form to their DPs in case the shares are held in electronic form and to the Registrar at [vadodara@linkintime.com](mailto:vadodara@linkintime.com), in case the shares are held in physical form, quoting their folio no.

#### **16. Remote e-Voting before / during the AGM:**

- a. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Secretarial Standard-2 on General Meetings issued by ICSI, Regulation 44 of SEBI (LODR) Regulations, 2015, as amended from time to time, and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-Voting during the AGM will be provided by NSDL. Resolution(s) passed by Members through e-Voting is/are deemed to have been passed as if they have been passed at the AGM.
- b. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of Thursday, September 19, 2024, may cast their vote by remote e-Voting. A person who is not a member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of

Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before/during the AGM. Any non-individual Shareholder or Shareholder holding securities in physical mode who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date may follow the login process as mentioned in this notice.

- c. The remote e-voting period begins on Monday, September 23, 2024, at 09:00 A.M. and ends on Wednesday, September 25, 2024, at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Thursday, September 19, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- d. Members will be provided with the facility for voting through electronic voting system during the VC proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote at the end of discussion on the resolutions on which voting is to be held, upon announcement by the Chairman. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again.
- e. The e-Voting module on the day of the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
- f. The Company has appointed Mr. Chirag Vinodbhai Rathod, Proprietor, Rathod & Co., Practicing Company Secretaries, as the Scrutiniser to scrutinise the voting during the AGM and remote e-voting process in a fair and transparent manner. The Scrutiniser will submit his report to the Chairman or to any other person authorised by the Chairman after the completion of the scrutiny of the votes cast through remote e-Voting before/during the AGM, within the time stipulated under the applicable laws. The result declared along with the Scrutiniser's report shall be communicated to the Stock Exchanges on which the Company's shares are listed, NSDL and will also be displayed on the Company's website at [www.cscpl.com](http://www.cscpl.com).
- g. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of AGM i.e., Thursday, September 26, 2024.

**17. Instructions for Members for attending the AGM through VC/OAVM and remote e-Voting (before and during the AGM) are given below:**

**A. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM:**

- i. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below for login to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.



- ii. Members may join the AGM through laptops, smartphones, tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
- iii. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number, PAN and mobile number, to the Company's email address at [investor.relations@cscpl.com](mailto:investor.relations@cscpl.com) before September 19, 2024, 5:00 pm. The Company will reply to the questions suitably.
- iv. Members who would like to express their views/ ask questions at the Meeting may pre-register themselves as a speaker by sending a request in advance atleast 7 days prior to meeting from their registered email address mentioning their name, DP ID and Client ID/Folio number, PAN and mobile number at [investor.relations@cscpl.com](mailto:investor.relations@cscpl.com). Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

**B. INSTRUCTIONS FOR REMOTE E-VOTING BEFORE / DURING THE AGM:**

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:





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

**A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode:**

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service

	<p>provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <ol style="list-style-type: none"> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center; border: 1px solid #ccc; padding: 10px; margin: 10px 0;"> <p><b>NSDL Mobile App is available on</b></p> <p>  <b>App Store</b>                  <b>Google Play</b> </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period</li> </ol>

	<p>or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911</p>

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

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

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

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a. Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b. Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **The instructions for remote e-Voting during the AGM are as under:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

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

**General Guidelines for Members:**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [compliance@rathod-panchal.com](mailto:compliance@rathod-panchal.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event,

you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre at [evoting@nsdl.com](mailto:evoting@nsdl.com).

**Registered Office:**

Block No. 355, Manjusar-Kunpad Road,  
Village: Manjusar, Taluka: Savli,  
Dist.: Vadodara – 391 775, Gujarat

Place: Vadodara  
Date: August 22, 2024

By Order of the Board  
**For Chemcon Speciality Chemicals Limited**

**Shahilkumar Kapatel**  
Company Secretary & Compliance Officer  
M. No.: A52211

## EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

The following Explanatory Statement sets out all the material facts relating to the Item Nos. 3 to 14 of the accompanying Notice dated August 22, 2024.

**Item No. 3:** Appointment of M/s. Shah Mehta & Bakshi, Chartered Accountants (FRN. 103824W) as the Statutory Auditors of the Company.

The Members of the Company at the 30<sup>th</sup> Annual General Meeting ("AGM") held on June 14, 2019, approved the appointment of M/s. K C Mehta & Co, Chartered Accountants, (now known as M/s. K C Mehta & Co LLP) as the Statutory Auditors of the Company for a period of five years from the conclusion of the said 30<sup>th</sup> AGM till the conclusion of 35<sup>th</sup> AGM. Accordingly, the tenure of M/s. K C Mehta & Co LLP shall end at the conclusion of the 35<sup>th</sup> AGM. The Board places on record the highest sense of appreciation for the valuable services rendered by them as the Statutory Auditors of the Company during their association with the Company.

The Board of Directors of the Company, on the recommendation of the Audit Committee, proposes the appointment of M/s. Shah Mehta & Bakshi, Chartered Accountants (FRN 103824W), as the Statutory Auditors of the Company for a period of five years, from the conclusion of the 35<sup>th</sup> AGM until the conclusion of the 40<sup>th</sup> AGM of the Company.

The Company has received a certificate from M/s. Shah Mehta & Bakshi, Chartered Accountants (FRN. 103824W), confirming that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of the Section 139(1), 141(2) and 141(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

Shah Mehta and Bakshi (SMB) is a Chartered Accountancy Firm established in the year 1986, under the name of Jagdish Dinesh Shah and Co. (Partners: Jagdish Shah and Dinesh Shah), later Vihang Bakshi joined the firm, and the firm name changed to Shah Mehta & Bakshi. Based in Vadodara, the firm has a wide clientele from all over the globe. It is registered with the Western India Regional Council of the Institute of Chartered Accountants of India, New Delhi (Registration No 103824W). Currently, the firm's Partners have expertise in different fields of service. This gives them a unique advantage of being sizeable enough to render sound, timely, lucrative, and proactive services while maintaining the fidelity of a team of highly experienced and qualified professionals.

The Board of Directors of the Company, on the recommendation of the Audit Committee, also proposes the members to approve the remuneration payable to M/s. Shah Mehta & Bakshi, Chartered Accountants, to conduct the Statutory Audit of the Company, of INR 4.7 lakhs per financial year plus applicable taxes, out-of-pocket expenses, travelling and other expenses in connection with the audit, with a power to the Board of Directors to revise the remuneration payable to the Statutory Auditor in such manner and to such extent as may be recommended by the Audit Committee and mutually agreed upon with the Auditors. There is no material change in the remuneration payable to M/s. Shah Mehta & Bakshi, Chartered Accountants, from that paid to M/s. K C Mehta & Co LLP.

The Board recommends the resolution set out in item no. 3 of this Notice for the approval of the members of the Company by way of an Ordinary Resolution.

None of the directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 3 of the Notice.



**Item No. 4:** Ratification of remuneration of the Cost Auditors for the financial year ending March 31, 2025.

In accordance with the provisions of Section 148 of the Act and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint a Cost Auditor to audit the cost records of the Company. On the recommendation of the Audit Committee, the Board of Directors of the Company has approved the re-appointment of M/s Chetan Gandhi & Associates, Cost Accountants (Firm Registration No. 101341), Vadodara, as the Cost Auditor of the Company for the Financial Year ending March 31, 2025, at a remuneration of INR 70,000 (INR Seventy Thousand Only) plus XBRL conversion charges, reimbursement of out-of-pocket expenses as per actual and applicable government taxes/levies.

In terms of the provisions of Section 148(3) of Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor is required to be ratified by members of the Company.

Accordingly, members are requested to consider and ratify the remuneration payable to Cost Auditors for the year 2024-25 as set out in the resolution for the aforesaid services.

The Board recommends the resolution set out in item no. 4 of this Notice for the approval of the members of the Company by way of an Ordinary Resolution.

None of the directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 4 of the Notice.

**Item No. 5:** Appointment of Mr. Naresh Vijaykumar Goyal (DIN: 00139277) as a Director of the Company.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, the Articles of Association of the Company and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 3, 2024, appointed Mr. Naresh Vijaykumar Goyal (DIN: 00139277) as an Additional Director of the Company who holds office upto the date of this Annual General Meeting.

Mr. Naresh Vijaykumar Goyal is eligible for appointment as a Director and the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director. Pursuant to Regulation 17 (1C) of SEBI (LODR) Regulations, 2015 and section 152 of the Companies Act, 2013, shareholder's approval by way of ordinary resolution is sought for appointment of Mr. Naresh Vijaykumar Goyal as a Director on the Board of the Company who shall not be liable to retire by rotation. A brief profile and other information as required under Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standard 2 issued by ICSI is provided as Annexure to this Notice.

The Board recommends the resolution set out in item no. 5 of this Notice for the approval of the members of the Company by way of an Ordinary Resolution.

Except Mr. Naresh Vijaykumar Goyal and/or his relatives, none of the other directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 5 of the Notice.

**Item No. 6:** Appointment of Mr. Ketan Bhailal Shah (DIN: 00058966) as a director and as an Independent Director.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, the Articles of Association of the Company and based on the recommendations of the Nomination and Remuneration Committee,

the Board of Directors at their meeting held on August 22, 2024, appointed Mr. Ketan Bhailal Shah as an Additional Director (Non-executive and Independent) of the Company who holds office upto the date of this Annual General Meeting. Further, Mr. Ketan Bhailal Shah was appointed as Independent Director for a term of five years commencing from August 22, 2024.

Pursuant to Regulation 17 and Regulation 25 of SEBI (LODR) Regulations, 2015, the appointment of an independent director shall be approved by the shareholders at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier by way of a special resolution. Accordingly, shareholder's approval by way of a special resolution is sought for the appointment of Mr. Ketan Bhailal Shah as an Independent Director for a term of five years commencing from August 22, 2024.

Further, Mr. Ketan Bhailal Shah is eligible for appointment as Independent Director and the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Independent Director. Pursuant to section 149, 150, 152 and Schedule IV of the Act, shareholder's approval by way of special resolution is sought for appointment of Mr. Ketan Bhailal Shah, as an Independent Director on the Board of the Company who shall not be liable to retire by rotation.

Mr. Ketan Bhailal Shah holds a bachelor's degree from Maharaja Sayajirao University (MSU), Vadodara and has experience of 27 years in Share & Securities and 17 years in Real Estate. He has served as Ex-Director of Vadodara Stock Exchange and Ex-President of Jain International Trade Organization (JITO), Vadodara. In the opinion of the Board, Mr. Ketan Bhailal Shah is independent of the management and meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015 and has submitted a declaration to that effect. He has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. The terms and conditions of his appointment is open for inspection at the registered office of the company by any member during normal business hours and is also posted on the company's website. A brief profile and other information as required under Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standard 2 issued by ICSI is provided as Annexure to this Notice.

The Board recommends the resolution set out in item no. 6 of this Notice for the approval of the members of the Company by way of a Special Resolution.

Except Mr. Ketan Bhailal Shah and/or his relatives, none of the other directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 6 of the Notice.

**Item No. 7:** To approve increase in remuneration of Mr. Rajesh Chimanlal Gandhi (DIN: 03296784), Whole-time Director & Chief Financial Officer of the Company.

On recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on November 8, 2023, approved an increase in remuneration of Mr. Rajesh Chimanlal Gandhi (DIN: 03296784) for the remaining period of his tenure with effect from October 1, 2023, subject to the approval of the members and on terms and conditions enumerated in the resolution.

While the Company's operations are profitable, the remuneration payable to Mr. Rajesh Chimanlal Gandhi or the total managerial remuneration payable by the Company to its directors, including managing director and whole-time director, and its manager, may exceed the limits specified in section 197 read with schedule V of the Companies Act, 2013. Hence, as a matter of abundant caution, the

members are requested to consider and approve the increase in remuneration of Mr. Rajesh Chimanlal Gandhi in accordance with the provisions of Section 197 and Section II of Part II of Schedule V of the Companies Act, 2013.

The information required under Section II of Part II of Schedule V of the Companies Act, 2013 is provided as Annexure to this Notice.

The Board recommends the resolution set out in item no. 7 of this notice for the approval of the members of the Company by way of a Special Resolution.

Except Mr. Rajesh Chimanlal Gandhi and/or his relatives, none of the other directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 7 of the Notice.

**Item No. 8:** To approve increase in remuneration of Mr. Himanshu Prafulchandra Purohit (DIN: 03296807), Whole-time Director of the Company.

On recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on November 8, 2023, approved an increase in remuneration of Mr. Himanshu Prafulchandra Purohit (DIN: 03296807) for the remaining period of his tenure with effect from October 1, 2023, subject to the approval of the members and on terms and conditions enumerated in the resolution.

While the Company's operations are profitable, the remuneration payable to Mr. Himanshu Prafulchandra Purohit or the total managerial remuneration payable by the Company to its directors, including managing director and whole-time director, and its manager, may exceed the limits specified in section 197 read with schedule V of the Companies Act, 2013. Hence, as a matter of abundant caution, the members are requested to consider and approve the increase in remuneration of Mr. Himanshu Prafulchandra Purohit in accordance with the provisions of Section 197 and Section II of Part II of Schedule V of the Companies Act, 2013.

The information required under Section II of Part II of Schedule V of the Companies Act, 2013 is provided as Annexure to this Notice.

The Board recommends the resolution set out in item no. 8 of this notice for the approval of the members of the Company by way of a Special Resolution.

Except Mr. Himanshu Prafulchandra Purohit and/or his relatives, none of the other directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 8 of the Notice.

**Item No. 9:** To approve increase in remuneration of Mr. Kamalkumar Rajendra Aggarwal (DIN: 00139199), Chairman & Managing Director of the Company.

On recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on May 18, 2024, approved an increase in remuneration of Mr. Kamalkumar Rajendra Aggarwal (DIN: 00139199) for the remaining period of his tenure with effect from April 1, 2024, subject to the approval of the members and on terms and conditions enumerated in the resolution.

While the Company's operations are profitable, the remuneration payable to Mr. Kamalkumar Rajendra Aggarwal or the total managerial remuneration payable by the Company to its directors, including managing director and whole-time director, and its manager, may exceed the limits specified in section

197 read with schedule V of the Companies Act, 2013 and/or Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015. Hence, as a matter of abundant caution, the members are requested to consider and approve the increase in remuneration of Mr. Kamalkumar Rajendra Aggarwal in accordance with the provisions of Section 197, Section II of Part II of Schedule V of the Companies Act, 2013 and Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015.

The information required under Section II of Part II of Schedule V of the Companies Act, 2013 is provided as Annexure to this Notice.

The Board recommends the resolution set out in item no. 9 of this notice for the approval of the members of the Company by way of a Special Resolution.

Except Mr. Kamalkumar Rajendra Aggarwal and/or his relatives, none of the other directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 9 of the Notice.

**Item No. 10:** Appointment of Mr. Naresh Vijaykumar Goyal (DIN: 00139277) as a Joint Managing Director of the Company.

On recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 3, 2024, approved the appointment of Mr. Naresh Vijaykumar Goyal as the Joint Managing Director of the Company for a period of 3 (Three) years beginning from August 3, 2024, till August 2, 2027, subject to the approval of the members and on terms and conditions enumerated in the resolution. Further, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 3, 2024, has also approved the remuneration payable to Mr. Naresh Vijaykumar Goyal, subject to the approval of the members.

Pursuant to Regulation 17(1C) of SEBI (LODR) Regulations, 2015, appointment of any person on the Board of Directors shall be approved by the shareholders at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, shareholder's approval is sought for appointment of Mr. Naresh Vijaykumar Goyal as a Joint Managing Director of the Company for a period of 3 (Three) years beginning from August 3, 2024, till August 2, 2027.

While the Company's operations are profitable, the remuneration payable to Mr. Naresh Vijaykumar Goyal or the total managerial remuneration payable by the Company to its directors, including managing director and whole-time director, and its manager, may exceed the limits specified in section 197 read with schedule V of the Companies Act, 2013 and/or Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015. Hence, as a matter of abundant caution, the members are requested to consider and approve the remuneration payable to Mr. Naresh Vijaykumar Goyal in accordance with the provisions of Section 197, Section II of Part II of Schedule V of the Companies Act, 2013 and Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015.

The information required under Section II of Part II of Schedule V of the Companies Act, 2013 is as below:

<b>I. General information:</b>		
1.	Nature of industry	The Company is a manufacturer of specialised chemicals, engaged in the manufacturing and sale of Organic and Inorganic Chemicals.
2.	Date or expected date of commencement of commercial production	Existing Company in operation

3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
4.	Financial performance based on given indicators	Financial performance during the financial year 2023-24: Revenue from operations: ₹ 26,709.21 lakhs Other Income: ₹ 1,318.45 lakhs Total Expenses: ₹ 25,401.90 lakhs Profit before tax: ₹ 2,625.76 lakhs Net Profit after tax: ₹ 1,919.30 lakhs
5.	Foreign investments or collaborations, if any	Not applicable
<b>II. Information about the appointee:</b>		
1.	Background details	Mr. Naresh Vijaykumar Goyal founded Super Scientific Glass Industries in 1982 and is also co-founder of Chemcon Speciality Chemicals Limited. With over 40 years of experience and expertise in marketing, he has grown his business into a diverse conglomerate spanning into borosilicate glass equipments, Anticorrosive Equipments, thermoplastics, chemical manufacturing, and technical textiles. His strategic vision and business acumen have driven innovation, quality, and customer satisfaction, establishing his group as a market leader and trusted partner in the global market. His commitment to excellence and ability to navigate complex challenges have resulted in sustained growth and a solid industry reputation. Mr. Goyal's focus on delivering superior value has earned the loyalty of clients worldwide.
2.	Past remuneration	Nil
3.	Recognition or awards	Not applicable
4.	Job profile and his suitability	Mr. Naresh Vijaykumar Goyal shall be responsible for widescale marketing of the products of the company in India and abroad. With plenteous experience in the field of marketing he is perfectly suitable for the role vested upon him.
5.	Remuneration proposed	Basic Salary of ₹ 3 Lakhs per month and variable pay up to 4% of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013, as recommended by the Nomination and Remuneration Committee of the Company and approved by the Board.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the responsibility shouldered by Mr. Naresh Vijaykumar Goyal of the enhanced business activities of the Company, proposed remuneration is commensurate with Industry standards and position of Joint Managing Director held in similar sized Companies.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	Mr. Naresh Vijaykumar Goyal is the father of Mr. Navdeep Naresh Goyal, Whole-time Director of the Company.

III. Other information		
1.	Reasons of loss or inadequate profits	While the Company's operations are profitable, the remuneration payable to Mr. Naresh Vijaykumar Goyal or the total managerial remuneration payable by the Company to its directors, including managing director and whole-time director, and its manager, may exceed the limits specified in Section 197 read with schedule V of the Companies Act, 2013 and/or Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015. Hence, as a matter of abundant caution, the members are requested to consider and approve the remuneration payable to Mr. Naresh Vijaykumar Goyal in accordance with the provisions of Section 197, Section II of Part II of Schedule V of the Companies Act, 2013 and Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015.
2.	Steps taken or proposed to be taken for improvement	Not applicable
3.	Expected increase in productivity and profits in measurable terms	Not applicable

A brief profile and other information as required under Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standard 2 issued by ICSI is provided as Annexure to this Notice. The Board recommends the resolution set out in item no. 10 of this notice for the approval of the members of the Company by way of a Special Resolution.

Except Mr. Naresh Vijaykumar Goyal and/or his relatives, none of the other directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 10 of the Notice.

**Item No. 11:** Appointment of Mr. Navdeep Naresh Goyal (DIN: 02604876) as a Whole-time Director of the Company.

On recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 3, 2024, approved the appointment of Mr. Navdeep Naresh Goyal as the Whole-time Director of the Company for a period of 3 (Three) years beginning from August 3, 2024, till August 2, 2027, subject to the approval of the members and on terms and conditions enumerated in the resolution. Further, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 3, 2024, has also approved the remuneration payable to Mr. Navdeep Naresh Goyal, subject to the approval of the members.

Pursuant to Regulation 17(1C) of SEBI (LODR) Regulations, 2015, appointment of any person on the Board of Directors shall be approved by the shareholders at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, shareholder's approval is sought for appointment of Mr. Navdeep Naresh Goyal as a Whole-time Director of the Company for a period of 3 (Three) years beginning from August 3, 2024, till August 2, 2027.

While the Company's operations are profitable, the remuneration payable to Mr. Navdeep Naresh Goyal or the total managerial remuneration payable by the Company to its directors, including managing director and whole-time director, and its manager, may exceed the limits specified in section 197 read with schedule V of the Companies Act, 2013 and/or Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015. Hence, as a matter of abundant caution, the members are requested to consider and approve the remuneration payable to Mr. Navdeep Naresh Goyal in accordance with the provisions of Section 197, Section II of Part II of Schedule V of the Companies Act, 2013 and Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015.

The information required under Section II of Part II of Schedule V of the Companies Act, 2013 is as below:

<b>I. General information:</b>		
1.	Nature of industry	The Company is a manufacturer of specialised chemicals, engaged in the manufacturing and sale of Organic and Inorganic Chemicals.
2.	Date or expected date of commencement of commercial production	Existing Company in operation
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
4.	Financial performance based on given indicators	Financial performance during the financial year 2023-24: Revenue from operations: ₹ 26,709.21 lakhs Other Income: ₹ 1,318.45 lakhs Total Expenses: ₹ 25,401.90 lakhs Profit before tax: ₹ 2,625.76 lakhs Net Profit after tax: ₹ 1,919.30 lakhs
5.	Foreign investments or collaborations, if any	Not applicable
<b>II. Information about the appointee:</b>		
1.	Background details	Mr. Navdeep Naresh Goyal is a second-generation techno-commercial entrepreneur with a focused drive to succeed. As part of an elite group of business leaders, his achievements are a testament to his inherited visionary skills and his own leadership in negotiation, team building, account management, product development, and strategic planning. Mr. Goyal's clear future goals showcase his entrepreneurial acumen in a competitive global marketplace. Known for his aggressive marketing and effective soft skills, he excels in forging strong bonds with business partners and associates. His entrepreneurial spirit has led him to diversify into various sectors, including specialty chemicals, pharmaceuticals, mechanical engineering, and technical textiles, all of which continue to grow under his leadership.
2.	Past remuneration	During the financial year ended March 31, 2024, ₹127.00 lakhs was paid as remuneration to Mr. Navdeep Naresh Goyal, who held the position of Deputy Managing Director of the Company.
3.	Recognition or awards	Not applicable
4.	Job profile and his suitability	Mr. Navdeep Goyal is the promoter of the Company and actively involved in the decision making and management of day-to-day operations of the Company. His problem-solving skills and strategic thinking make him suitable for the job profile of Whole-time Director of the Company.
5.	Remuneration proposed	Basic Salary of ₹ 3.00 lakhs per month as recommended by the Nomination and Remuneration Committee of the Company and approved by the Board.

6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the responsibility shouldered by Mr. Navdeep Naresh Goyal of the enhanced business activities of the Company, proposed remuneration is commensurate with Industry standards and board level positions held in similar sized Companies.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	Mr. Navdeep Naresh Goyal, is the son of Mr. Naresh Vijaykumar Goyal, Joint Managing Director of the Company.
<b>III. Other information</b>		
1.	Reasons of loss or inadequate profits	While the Company's operations are profitable, the remuneration payable to Mr. Navdeep Naresh Goyal or the total managerial remuneration payable by the Company to its directors, including managing director and whole-time director, and its manager, may exceed the limits specified in Section 197 read with schedule V of the Companies Act, 2013 and/or Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015. Hence, as a matter of abundant caution, the members are requested to consider and approve the remuneration payable to Mr. Navdeep Naresh Goyal in accordance with the provisions of Section 197, Section II of Part II of Schedule V of the Companies Act, 2013 and Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015.
2.	Steps taken or proposed to be taken for improvement	Not applicable
3.	Expected increase in productivity and profits in measurable terms	Not applicable

A brief profile and other information as required under Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standard 2 issued by ICSI is provided as Annexure to this Notice. The Board recommends the resolution set out in item no. 11 of this notice for the approval of the members of the Company by way of a Special Resolution.

Except Mr. Navdeep Naresh Goyal and/or his relatives, none of the other directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 11 of the Notice.

**Item No. 12:** Re-appointment of Mr. Kamalkumar Rajendra Aggarwal (DIN: 00139199) as a Managing Director of the Company.

The members at the 33<sup>rd</sup> Annual General Meeting of the Company held on July 26, 2022, approved the re-appointment of Mr. Kamalkumar Rajendra Aggarwal (DIN: 00139199) as a Managing Director of the Company for a period of 3 (Three) years beginning from May 1, 2022, till April 30, 2025.

On recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 22, 2024, approved the reappointment of Mr. Kamalkumar Rajendra Aggarwal as the Managing Director of the Company for a period of 3 (Three) years beginning from May 1, 2025, till April 30, 2028, subject to the approval of the members and on terms and conditions enumerated in the resolution. Further, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 22, 2024, has also approved the remuneration payable to Mr. Kamalkumar Rajendra Aggarwal, subject to the approval of the members.



Pursuant to Regulation 17(1C) of SEBI (LODR) Regulations, 2015, appointment of any person on the Board of Directors shall be approved by the shareholders at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, shareholder's approval is sought for re-appointment of Mr. Kamalkumar Rajendra Aggarwal as a Managing Director of the Company for a period of 3 (Three) years beginning from May 1, 2025, till April 30, 2028.

While the Company's operations are profitable, the remuneration payable to Mr. Kamalkumar Rajendra Aggarwal or the total managerial remuneration payable by the Company to its directors, including managing director and whole-time director, and its manager, may exceed the limits specified in section 197 read with schedule V of the Companies Act, 2013 and/or Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015. Hence, as a matter of abundant caution, the members are requested to consider and approve the remuneration payable to Mr. Kamalkumar Rajendra Aggarwal in accordance with the provisions of Section 197, Section II of Part II of Schedule V of the Companies Act, 2013 and Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015.

The information required under Section II of Part II of Schedule V of the Companies Act, 2013 is provided as Annexure to this Notice.

A brief profile and other information as required under Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standard 2 issued by ICSI is provided as Annexure to this Notice. The Board recommends the resolution set out in item no. 12 of this notice for the approval of the members of the Company by way of a Special Resolution.

Except Mr. Kamalkumar Rajendra Aggarwal and/or his relatives, none of the other directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 12 of the Notice.

**Item No. 13:** Re-appointment of Mr. Rajesh Chimanlal Gandhi (DIN: 03296784) as a Whole-time Director of the Company.

The members at the 33<sup>rd</sup> Annual General Meeting of the Company held on July 26, 2022, approved the re-appointment of Mr. Rajesh Chimanlal Gandhi (DIN: 03296784) as a Whole-time Director of the Company for a period of 3 (Three) years beginning from May 1, 2022, till April 30, 2025.

On recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 22, 2024, approved the reappointment of Mr. Rajesh Chimanlal Gandhi as a Whole-time Director of the Company for a period of 3 (Three) years beginning from May 1, 2025, till April 30, 2028, subject to the approval of the members and on terms and conditions enumerated in the resolution. Further, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 22, 2024, has also approved the remuneration payable to Mr. Rajesh Chimanlal Gandhi, subject to the approval of the members.

Pursuant to Regulation 17(1C) of SEBI (LODR) Regulations, 2015, appointment of any person on the Board of Directors shall be approved by the shareholders at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, shareholder's approval is sought for re-appointment of Mr. Rajesh Chimanlal Gandhi as a Whole-time Director of the Company for a period of 3 (Three) years beginning from May 1, 2025, till April 30, 2028.

While the Company's operations are profitable, the remuneration payable to Mr. Rajesh Chimanlal Gandhi or the total managerial remuneration payable by the Company to its directors, including managing director and whole-time director, and its manager, may exceed the limits specified in section

197 read with schedule V of the Companies Act, 2013. Hence, as a matter of abundant caution, the members are requested to consider and approve the remuneration payable to Mr. Rajesh Chimanlal Gandhi in accordance with the provisions of Section 197 and Section II of Part II of Schedule V of the Companies Act, 2013.

The information required under Section II of Part II of Schedule V of the Companies Act, 2013 is provided as Annexure to this Notice.

A brief profile and other information as required under Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standard 2 issued by ICSI is provided as Annexure to this Notice. The Board recommends the resolution set out in item no. 13 of this notice for the approval of the members of the Company by way of a Special Resolution.

Except Mr. Rajesh Chimanlal Gandhi and/or his relatives, none of the other directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 13 of the Notice.

**Item No. 14:** Re-appointment of Mr. Himanshu Prafulchandra Purohit (DIN: 03296807) as a Whole-time Director of the Company.

The members at the 33<sup>rd</sup> Annual General Meeting of the Company held on July 26, 2022, approved the re-appointment of Mr. Himanshu Prafulchandra Purohit (DIN: 03296807) as a Whole-time Director of the Company for a period of 3 (Three) years beginning from May 1, 2022, till April 30, 2025.

On recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 22, 2024, approved the reappointment of Mr. Himanshu Prafulchandra Purohit as a Whole-time Director of the Company for a period of 3 (Three) years beginning from May 1, 2025, till April 30, 2028, subject to the approval of the members and on terms and conditions enumerated in the resolution. Further, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 22, 2024, has also approved the remuneration payable to Mr. Himanshu Prafulchandra Purohit, subject to the approval of the members.

Pursuant to Regulation 17(1C) of SEBI (LODR) Regulations, 2015, appointment of any person on the Board of Directors shall be approved by the shareholders at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, shareholder's approval is sought for re-appointment of Mr. Himanshu Prafulchandra Purohit as a Whole-time Director of the Company for a period of 3 (Three) years beginning from May 1, 2025, till April 30, 2028.

While the Company's operations are profitable, the remuneration payable to Mr. Himanshu Prafulchandra Purohit or the total managerial remuneration payable by the Company to its directors, including managing director and whole-time director, and its manager, may exceed the limits specified in section 197 read with schedule V of the Companies Act, 2013. Hence, as a matter of abundant caution, the members are requested to consider and approve the remuneration payable to Mr. Himanshu Prafulchandra Purohit in accordance with the provisions of Section 197 and Section II of Part II of Schedule V of the Companies Act, 2013.

The information required under Section II of Part II of Schedule V of the Companies Act, 2013 is provided as Annexure to this Notice.

A brief profile and other information as required under Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standard 2 issued by ICSI is provided as Annexure to this Notice. The Board recommends

the resolution set out in item no. 14 of this notice for the approval of the members of the Company by way of a Special Resolution.

Except Mr. Himanshu Prafulchandra Purohit and/or his relatives, none of the other directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 14 of the Notice.

**Registered Office:**

Block No. 355, Manjusar-Kunpad Road,  
Village: Manjusar, Taluka: Savli,  
Dist.: Vadodara – 391 775, Gujarat

Place: Vadodara  
Date: August 22, 2024

By Order of the Board  
**For Chemcon Speciality Chemicals Limited**

**Shahilkumar Kapatel**  
Company Secretary & Compliance Officer  
M. No.: A52211

**INFORMATION REQUIRED UNDER SECTION II OF PART II OF SCHEDULE V OF COMPANIES ACT, 2013**

**Item No. 7 and 13:**

<b>I. General information:</b>		
1.	Nature of industry	The Company is a manufacturer of specialised chemicals, engaged in the manufacturing and sale of Organic and Inorganic Chemicals.
2.	Date or expected date of commencement of commercial production	Existing Company in operation
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
4.	Financial performance based on given indicators	Financial performance during the financial year 2023-24: Revenue from operations: ₹ 26,709.21 lakhs Other Income: ₹ 1,318.45 lakhs Total Expenses: ₹ 25,401.90 lakhs Profit before tax: ₹ 2,625.76 lakhs Net Profit after tax: ₹ 1,919.30 lakhs
5.	Foreign investments or collaborations, if any	Not applicable
<b>II. Information about the appointee:</b>		
1.	Background details	Mr. Rajesh Chimanlal Gandhi holds a bachelor's degree in commerce from Gujarat University, Gujarat. In the past, he was associated with the Company in the capacity of Accounts & Finance Manager and currently he is a Whole-time Director and Chief Financial Officer of the Company. He has more than 25 years of experience in finance & accounts and related operations.
2.	Past remuneration	During the financial year ended March 31, 2024, ₹ 39.90 lakhs was paid as remuneration to Mr. Rajesh Chimanlal Gandhi.
3.	Recognition or awards	Not applicable
4.	Job profile and his suitability	Mr. Rajesh Chimanlal Gandhi has overall control over the management in the Finance, Accounts, Secretarial and IT areas of the Company in line with his qualification and experience in the business.
5.	Remuneration proposed	Basic Salary of ₹ 4.05 lakhs per month as recommended by the Nomination and Remuneration Committee of the Company and approved by the Board.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the responsibility shouldered by Mr. Rajesh Chimanlal Gandhi of the enhanced business activities of the Company, proposed remuneration is commensurate with Industry standards and board level positions held in similar sized Companies.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	Mr. Rajesh Chimanlal Gandhi is not related to any of the Directors and Key Managerial Personnel of the Company.

<b>III. Other information</b>		
1.	Reasons of loss or inadequate profits	While the Company's operations are profitable, the remuneration payable to Mr. Rajesh Chimanlal Gandhi or the total managerial remuneration payable by the Company to its directors, including managing director and whole-time director, and its manager, may exceed the limits specified in Section 197 read with schedule V of the Companies Act, 2013. Hence, as a matter of abundant caution, the members are requested to consider and approve the remuneration payable to Mr. Rajesh Chimanlal Gandhi in accordance with the provisions of Section 197 and Section II of Part II of Schedule V of the Companies Act, 2013.
2.	Steps taken or proposed to be taken for improvement	Not applicable
3.	Expected increase in productivity and profits in measurable terms	Not applicable

#### Item No. 8 and 14:

<b>I. General information:</b>		
1.	Nature of industry	The Company is a manufacturer of specialised chemicals, engaged in the manufacturing and sale of Organic and Inorganic Chemicals.
2.	Date or expected date of commencement of commercial production	Existing Company in operation
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
4.	Financial performance based on given indicators	Financial performance during the financial year 2023-24: Revenue from operations: ₹ 26,709.21 lakhs Other Income: ₹ 1,318.45 lakhs Total Expenses: ₹ 25,401.90 lakhs Profit before tax: ₹ 2,625.76 lakhs Net Profit after tax: ₹ 1,919.30 lakhs
5.	Foreign investments or collaborations, if any	Not applicable
<b>II. Information about the appointee:</b>		
1.	Background details	Mr. Himanshu Prafulchandra Purohit holds a master's degree in science in inorganic chemistry from the Sardar Patel University, Gujarat. In the past, he has been associated with the Company in the capacity of production manager and currently he is the Whole-time Director of the Company. He has more than 25 years of experience in production related operations.
2.	Past remuneration	During the financial year ended March 31, 2024, ₹ 39.90 lakhs was paid as remuneration to Mr. Himanshu Prafulchandra Purohit.
3.	Recognition or awards	Not applicable
4.	Job profile and his suitability	Mr. Himanshu Prafulchandra Purohit has control over the management in the production, plants and technical areas of the Company's business in line with his qualification and experience in the business.

5.	Remuneration proposed	Basic Salary of ₹ 4.05 lakhs per month as recommended by the Nomination and Remuneration Committee of the Company and approved by the Board.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the responsibility shouldered Mr. Himanshu Prafulchandra Purohit of the enhanced business activities of the Company, proposed remuneration is commensurate with Industry standards and board level positions held in similar sized Companies.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	Mr. Himanshu Prafulchandra Purohit is not related to any of the Directors and Key Managerial Personnel of the Company.
<b>III. Other information</b>		
1.	Reasons of loss or inadequate profits	While the Company's operations are profitable, the remuneration payable to Mr. Himanshu Prafulchandra Purohit or the total managerial remuneration payable by the Company to its directors, including managing director and whole-time director, and its manager, may exceed the limits specified in Section 197 read with schedule V of the Companies Act, 2013. Hence, as a matter of abundant caution, the members are requested to consider and approve the remuneration payable to Mr. Himanshu Prafulchandra Purohit in accordance with the provisions of Section 197 and Section II of Part II of Schedule V of the Companies Act, 2013.
2.	Steps taken or proposed to be taken for improvement	Not applicable
3.	Expected increase in productivity and profits in measurable terms	Not applicable

**Item No. 9 and 12:**

<b>I. General information:</b>		
1.	Nature of industry	The Company is a manufacturer of specialised chemicals, engaged in the manufacturing and sale of Organic and Inorganic Chemicals.
2.	Date or expected date of commencement of commercial production	Existing Company in operation
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
4.	Financial performance based on given indicators	Financial performance during the financial year 2023-24: Revenue from operations: ₹ 26,709.21 lakhs Other Income: ₹ 1,318.45 lakhs Total Expenses: ₹ 25,401.90 lakhs Profit before tax: ₹ 2,625.76 lakhs Net Profit after tax: ₹ 1,919.30 lakhs
5.	Foreign investments or collaborations, if any	Not applicable
<b>II. Information about the appointee:</b>		

1.	Background details	Mr. Kamalkumar Rajendra Aggarwal holds Diploma in Petrochemical Technology (Plastic Technology) from the Maharaja Sayajirao University of Baroda, Gujarat. He has 28 years of experience in the specialized chemicals industry. He has been on the Board since January 19, 2004.
2.	Past remuneration	During the financial year ended March 31, 2024, ₹ 103.00 lakhs was paid as remuneration to Mr. Kamalkumar Rajendra Aggarwal.
3.	Recognition or awards	Not applicable
4.	Job profile and his suitability	Mr. Kamalkumar Rajendra Aggarwal is the Chairman and Managing Director of the Company carrying out the pivotal role in management and growth of the Company. He is the promoter of the Company and well acquainted with the industry and areas in which the Company operates. His immense experience and knowledge make him suitable for the position shouldered upon him.
5.	Remuneration proposed	Basic Salary of ₹ 6 Lakhs per month and variable pay up to 4% of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013, as recommended by the Nomination and Remuneration Committee of the Company and approved by the Board.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the responsibility shouldered by Mr. Kamalkumar Rajendra Aggarwal of the enhanced business activities of the Company, proposed remuneration is commensurate with Industry standards and position of Chairman and Managing Director held in similar sized Companies.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	Mr. Kamalkumar Rajendra Aggarwal is father of Mr. Rajveer Kamal Aggarwal, Non-Executive (Non-Independent) Director of the Company.
<b>III. Other information</b>		
1.	Reasons of loss or inadequate profits	While the Company's operations are profitable, the remuneration payable to Mr. Kamalkumar Rajendra Aggarwal or the total managerial remuneration payable by the Company to its directors, including managing director and whole-time director, and its manager, may exceed the limits specified in Section 197 read with schedule V of the Companies Act, 2013 and/or Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015. Hence, as a matter of abundant caution, the members are requested to consider and approve the remuneration payable to Mr. Kamalkumar Rajendra Aggarwal in accordance with the provisions of Section 197, Section II of Part II of Schedule V of the Companies Act, 2013 and Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015.
2.	Steps taken or proposed to be taken for improvement	Not applicable
3.	Expected increase in productivity and profits in measurable terms	Not applicable

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE AGM**

(Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard - 2 on General Meetings)

<b>PARTICULARS</b>	<b>KETAN BHAILAL SHAH Independent Director DIN: 00058966</b>	<b>RAJVEER KAMAL AGGARWAL Non-Executive Director (Non-Independent) DIN: 07883896</b>
Date of Birth (Age)	29/05/1962 (62 Years)	17/08/1995 (29 Years)
Brief resume, Qualification, experience and expertise of the Director	Mr. Ketan Shah holds a bachelor's degree from Maharaja Sayajirao University (MSU), Vadodara. With 27 years of experience in Share & Securities and 17 years in Real Estate, he has also served as Ex-Director of Vadodara Stock Exchange and Ex-President of Jain International Trade Organization (JITO), Vadodara. Mr. Shah has diversified into emerging industries like Technocom and Solar equipment. He also ventured into the Hospitality industry with the acquisition of K-10 Hotel and has successfully completed several real estate projects, including Amber Complex, K-10 Atlantis, and the ongoing K-10 Grand office building.	Mr. Rajveer Aggarwal holds a bachelor's degree in chemical engineering from the Gujarat Technological University, Gujarat. He has more than 7 years of experience in operations. He has been on the Board since Oct 2017.
The skills and capabilities of Independent Director and its fulfilment along with justification for choosing the appointees for appointment as Independent Directors	The educational qualifications, expertise and vast experience of Mr. Ketan Shah enables him to fulfil his role and discharge his responsibilities as Independent Director	NA
Terms and conditions of appointment or re-appointment and remuneration sought to be paid	Mr. Ketan Shah is proposed to be appointed as Independent Director of the Company for a term of five years commencing from August 22, 2024. He shall be paid sitting fees for attending the Board and Committee Meetings as determined by the Board and within the permissible limits.	Director liable to retire by rotation and being eligible, offers himself for re-appointment.
Date of first appointment on the Board	22/08/2024	01/10/2017
Number of Board Meetings attended during the financial year 2023-24	Not Applicable	5 (Five)
Remuneration drawn during the financial year 2023-24	Not Applicable	24.00 Lakhs



<b>PARTICULARS</b>	<b>KETAN BHAILAL SHAH</b> Independent Director <b>DIN: 00058966</b>	<b>RAJVEER KAMAL AGGARWAL</b> Non-Executive Director (Non-Independent) DIN: 07883896
Number of shares held in the Company as on March 31, 2024: a. Own b. For other persons on a beneficial basis	a. Nil b. Nil	a. 25,32,800 b. Nil
Relationship with other Directors, Manager and other KMP	None	Son of Mr. Kamalkumar Rajendra Aggarwal, Managing Director of the Company
Directorship in other Companies as on March 31, 2024	<b>Director:</b> - PK Info Technologies (India) Private Limited - Shah Medical and Surgical Limited - Aarav Reality Private Limited - Ketan Realities Private Limited - Vinay Capital Ltd	<b>Director:</b> - Medicap Healthcare Limited - Sang Froid Marine Chem Private Limited - KASR Healthcare Private Limited
Committee position held in other listed Companies as on March 31, 2024	Nil	Nil
Listed entities from which the Director has resigned from Directorship in last three (3) years	Nil	Nil

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE AGM**

(Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard - 2 on General Meetings)

<b>PARTICULARS</b>	<b>NARESH VIJAYKUMAR GOYAL</b> Joint Managing Director DIN: 00139277	<b>NAVDEEP NARESH GOYAL</b> Whole-time Director DIN: 02604876
Date of Birth (Age)	15/04/1958 (66 Years)	08/05/1990 (34 Years)
Brief resume, Qualification, experience and expertise of the Director	Mr. Naresh Goyal founded Super Scientific Glass Industries in 1982 and is also co-founder of Chemcon Speciality Chemicals Ltd. He has over 40 years of experience and expertise in marketing	Mr. Navdeep Goyal is a second-generation techno-commercial entrepreneur with more than 13 years of experience in operations. He has been on the Board since April 1, 2015
Terms and conditions of appointment or re-appointment and remuneration sought to be paid	As per the Special Resolution set out in item no. 10 of this notice read with explanatory statement thereto.	As per the Special Resolution set out in item no. 11 of this notice read with explanatory statement thereto.
Date of first appointment on the Board	03/08/2024	01/04/2015
Number of Board Meetings attended during the financial year 2023-24	Not Applicable	5 (Five)
Remuneration drawn during the financial year 2023-24	Not Applicable	127.00 Lakhs
Number of shares held in the Company as on March 31, 2024: c. Own d. For other persons on a beneficial basis	a. 30,35,826 b. Nil	a. *86,08,166 b. Nil
Relationship with other Directors, Manager and other KMP	Father of Mr. Navdeep Naresh Goyal, Whole-time Director of the Company	Son of Mr. Naresh Vijaykumar Goyal, Joint Managing Director of the Company
Directorship in other Companies as on March 31, 2024	<b>Director:</b> - Supertech Fabrics Private Limited - Super Industrial Lining Private Limited - GGC Chemicals & Pharmaceuticals Private Limited - Dtech Products Private Limited - Kutch Chemical Industries Limited	<b>Director:</b> - Supertech Fabrics Private Limited - Super Industrial Lining Private Limited - GGC Chemicals & Pharmaceuticals Private Limited - Dtech Products Private Limited
Committee position held in other listed Companies as on March 31, 2024	Nil	Nil
Listed entities from which the Director has resigned from Directorship in last three (3) years	Nil	Nil

\*The 86,08,166 equity shares held by Mr. Navdeep Naresh Goyal includes 62,33,500 Equity Shares which are jointly held by Mr. Navdeep Naresh Goyal, first holder and Ms. Shubharangana Goyal, Second holder.

### DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE AGM

(Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard - 2 on General Meetings)

<b>PARTICULARS</b>	<b>KAMALKUMAR RAJENDRA AGGARWAL</b> Managing Director DIN: 00139199	<b>RAJESH CHIMANLAL GANDHI</b> Whole-time Director DIN: 03296784	<b>HIMANSHU PRAFULCHANDRA PUROHIT</b> Whole-time Director DIN: 03296807
Date of Birth (Age)	27/12/1962 (61 Years)	12/04/1971 (53 Years)	30/07/1973 (51 Years)
Brief resume, Qualification, experience and expertise of the Director	Mr. Kamalkumar Aggarwal holds Diploma in Petrochemical Technology (Plastic Technology) from the Maharaja Sayajirao University of Baroda, Gujarat. He has 28 years of experience in the specialized chemicals industry. He has been on the Board since January 19, 2004	Mr. Rajesh Gandhi holds a bachelor's degree in commerce from Gujarat University. He has more than 25 years of experience in finance & accounts and related operations. He has been on the Board since May 1, 2012	Mr. Himanshu Purohit holds a master's degree in science in Inorganic Chemistry from the Sardar Patel University, Gujarat. He has more than 25 years of experience in production related operations. He has been on the Board since May 1, 2012
Terms and conditions of appointment or re-appointment and remuneration sought to be paid	As per the Special Resolution set out in item no. 12 of this notice read with explanatory statement thereto.	As per the Special Resolution set out in item no. 13 of this notice read with explanatory statement thereto.	As per the Special Resolution set out in item no. 14 of this notice read with explanatory statement thereto.
Date of first appointment on the Board	19/01/2004	01/05/2012	01/05/2012
Number of Board Meetings attended during the financial year 2023-24	6 (Six)	6 (Six)	5 (Five)
Remuneration drawn during the financial year 2023-24	103.00 Lakhs	39.90 Lakhs	39.90 Lakhs
Number of shares held in the Company as on March 31, 2024:			
a. Own	a. *1,01,87,080	a. NIL	a. NIL
b. For other persons on a beneficial basis	b. Nil	b. NIL	b. NIL
Relationship with other Directors, Manager and other KMP	Father of Mr. Rajveer Kamal Aggarwal, Non-Executive (non-	None	None

PARTICULARS	<b>KAMALKUMAR RAJENDRA AGGARWAL</b> Managing Director DIN: 00139199	<b>RAJESH CHIMANLAL GANDHI</b> Whole-time Director DIN: 03296784	<b>HIMANSHU PRAFULCHANDRA PUROHIT</b> Whole-time Director DIN: 03296807
	Independent) Director of the Company		
Directorship in other Companies as on March 31, 2024	<b>Director:</b> - Medicap Healthcare Limited - KASR Healthcare Private Limited	<b>Director:</b> - Medicap Healthcare Limited	Nil
Committee position held in other listed Companies as on March 31, 2024	Nil	Nil	Nil
Listed entities from which the Director has resigned from Directorship in last three (3) years	Nil	Nil	Nil

*\*The 1,01,87,080 equity shares held by Mr. Kamalkumar Rajendra Aggarwal includes 5,10,000 Equity Shares which are jointly held by Mr. Kamalkumar Rajendra Aggarwal, first holder and Mr. Rajveer Kamal Aggarwal, Second holder.*

## DIRECTOR'S REPORT

To,  
The Members,  
**Chemcon Speciality Chemicals Limited**

The directors have pleasure in presenting the 35<sup>th</sup> Annual Report on the business and operations of Chemcon Speciality Chemicals Limited ("the Company") together with the audited financial statements for the financial year ended March 31, 2024.

### FINANCIAL SUMMARY AND HIGHLIGHTS:

The financial performance of the Company for the year ended March 31, 2024, is summarised below:

(Rs. in Lakhs)

PARTICULARS	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Operations	26,709.21	30,288.47
Other Income	1,318.45	1,331.47
<b>Total Income</b>	<b>28,027.66</b>	<b>31,619.94</b>
Profit before Financial Cost, Depreciation and tax	4,006.42	8,401.14
Less: Finance Costs	349.72	148.86
Less: Depreciation/ Amortisation/ Impairment	1,030.94	837.14
<b>Profit before Tax</b>	<b>2,625.76</b>	<b>7,415.14</b>
Less: Tax Expense (Current & Deferred)	706.46	1,904.13
<b>Profit after tax for the year</b>	<b>1,919.30</b>	<b>5,511.01</b>
Other Comprehensive Income/(loss)	(14.36)	(28.08)
<b>Total Comprehensive Income for the year</b>	<b>1,904.94</b>	<b>5,482.92</b>

The above figures are extracted from the audited financial statements prepared in accordance with Indian Accounting Standards (Ind AS) as specified in the Companies (Indian Accounting Standard) Rules, 2015, as amended, in terms of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("SEBI (LODR) Regulations, 2015").

### STATE OF COMPANY'S AFFAIR:

During the financial year under review, the Company witnessed a decline in sales, reporting Rs. 26,709.21 Lakhs, down from Rs. 30,288.47 Lakhs in the previous year. Profit Before Tax (PBT) also decreased, reaching Rs. 2,625.76 Lakhs, compared to Rs. 7,415.14 Lakhs in the prior year. Similarly, Profit After Tax (PAT) fell to Rs. 1,919.30 Lakhs, a significant drop from Rs. 5,511.01 Lakhs in the previous financial year. As a result, Earnings Per Share (EPS) for FY 2023-24 declined to Rs. 5.24, compared to Rs. 15.04 in the preceding year.

The decline in margins can be attributed to several challenges, including supply chain disruptions, chip shortages, rising inflation, increased interest rates, foreign currency fluctuations, geopolitical conflicts, higher employee costs, and increased costs of goods sold due to material price hikes. In response to these inflationary pressures, we implemented cost optimization strategies and enhanced cost control measures.

For a comprehensive understanding of the Company's performance, stakeholders are encouraged to refer to "Management Discussion and Analysis" section in the Annual Report.

**DIVIDEND:**

The directors have thought fit to plough back the profit in operations for providing long-term working capital and hence, opted not to declare any dividend for the financial year ended March 31, 2024.

The Dividend Distribution Policy, in terms of Regulation 43A of the SEBI (LODR) Regulations, 2015 is available on the Company's website at <https://cscpl.com/investors-relations/disclosure-under-regulation-46-of-the-lodr/policies/>

**UNPAID / UNCLAIMED DIVIDEND:**

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, there was no unpaid / unclaimed dividends to be transferred during the Financial Year under review to the Investor Education and Protection Fund.

**TRANSFER TO RESERVE:**

During the Financial Year under review, Company has not transferred any amount to any reserves.

**SHARE CAPITAL:**

As on March 31, 2024:

- The Authorised Share Capital of the Company was INR 50,00,00,000/- (INR Fifty Crores Only) divided in to 5,00,00,000 (Five Crores) Equity Shares of INR 10/- (INR Ten only) each; and
- The Issued, subscribed and Paid-up Share Capital of the Company was INR 36,63,07,010/- (INR Thirty-Six Crores Sixty-Three Lakhs Seven Thousand and Ten only) divided into 3,66,30,701 (Three Crores Sixty-Six Lakhs Thirty Thousand Seven Hundred and One) Equity Shares of INR 10/- (INR Ten Only) each.

During the financial year ended March 31, 2024, the Company has not bought back any of its securities, has not issued any Sweat Equity Shares or Bonus Shares and has not provided any Stock Option Scheme to the employees.

Further, the Company has not raised any funds through preferential allotment or qualified institutions placement during the financial year ended March 31, 2024.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Company does not have any subsidiary, joint venture or associate Company.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):**

The directors of the Company as on March 31, 2024, were:

Sr. No.	Name of Director / KMP	Category of Directorship / KMP
1.	Mr. Kamalkumar Rajendra Aggarwal	Chairman & Managing Director

Sr. No.	Name of Director / KMP	Category of Directorship / KMP
2.	Mr. Navdeep Naresh Goyal	Deputy Managing Director ( <i>Appointed as Whole-time Director with effect from August 03, 2024</i> )
3.	Mr. Rajesh Chimanlal Gandhi	Whole-time Director and Chief Financial Officer
4.	Mr. Himanshu Prafulchandra Purohit	Whole-time Director
5.	Mr. Rajveer Kamal Aggarwal	Whole-time Director ( <i>resigned as a Whole-time Director but continuing as a Non-executive Director with effect from August 03, 2024</i> )
6.	Ms. Neelu Atulkumar Shah	Independent Director
7.	Mr. Lalit Devidutt Chaudhary	Independent Director
8.	Mr. Pankaj Amritlal Shah	Independent Director
9.	Mr. Bharat Chunilal Shah	Independent Director
10.	Mr. Lalit Ramniklal Mehta	Independent Director
11.	Mr. Shahilkumar Maheshbhai Kapatel	Company Secretary and Compliance Officer

As on the financial year ended March 31, 2024, the board of directors of the Company comprised of an optimum combination of executive and non-executive directors where 50% of the board of directors comprises of non-executive independent directors including one woman independent director.

#### A. Resignations during the financial year 2023-24:

- Mr. Samir Chandrakant Patel (DIN: 00086774) stepped down from his role as an independent director at the Company, with effect from May 13, 2023, due to personal reasons and other business commitments.
- Mr. Pradeep Vishambhar Agrawal (DIN: 00048699) resigned from the position of independent director of the company with effect from June 26, 2023, due to many other engagements and occupations.

The Board placed on record their appreciation for the assistance and guidance provided by them during their tenure as Independent Directors of the Company.

#### B. Appointments during the financial year 2023-24:

During the financial year 2023-24, Mr. Pankaj Amritlal Shah (DIN: 10417855) and Mr. Lalit Ramniklal Mehta (DIN: 00903743) were appointed as an Additional Directors (Non-Executive, Independent) by the Board of Directors at their meeting held on December 16, 2023.

Further, the Company had sought the approval of Shareholders on the Business as set out below and as contained in the Postal Ballot Notice dated December 16, 2023 ("Postal Ballot Notice"), by passing the said resolutions through Postal Ballot, only by way of remote e-voting process:

Sr. No.	Description of Resolution	Type of Resolution
1.	Appointment of Mr. Pankaj Amritlal Shah (DIN: 10417855) as an Independent Director.	Special Resolution
2.	Appointment of Mr. Lalit Ramniklal Mehta (DIN: 00903743) as an Independent Director.	Special Resolution

The above Special Resolutions were passed with requisite consent on February 3, 2024, i.e. the last date of remote e-voting period.

**C. Changes in the Board of Directors between the period from the closure of the Financial Year till the date of this report:**

➤ **Appointment of Mr. Naresh Vijaykumar Goyal (DIN: 00139277) as an Additional Director.**

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, the Articles of Association of the Company and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 3, 2024, appointed Mr. Naresh Vijaykumar Goyal (DIN: 00139277) as an Additional Director of the Company who holds office with effect from August 3, 2024 upto the date of ensuing Annual General Meeting of the Company.

Mr. Naresh Vijaykumar Goyal is eligible for appointment as a Director of the Company, thus, shareholder's approval by way of ordinary resolution is sought at the ensuing Annual General Meeting for appointment of Mr. Naresh Vijaykumar Goyal as a Director on the Board of the Company who shall not be liable to retire by rotation.

A brief profile of Mr. Naresh Vijaykumar Goyal along with additional information required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) is provided separately by way of Annexure to the Notice convening the 35<sup>th</sup> Annual General Meeting of the Company. The Board recommends his appointment.

➤ **Appointment of Mr. Naresh Vijaykumar Goyal (DIN: 00139277) as Joint Managing Director.**

On recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 3, 2024, approved the appointment and remuneration of Mr. Naresh Vijaykumar Goyal (DIN: 00139277) as the Joint Managing Director of the Company for a period of 3 (Three) years beginning from August 3, 2024, till August 2, 2027, subject to the approval of the members.

Accordingly, shareholder's approval is sought at the ensuing Annual General Meeting of the Company for appointment & remuneration of Mr. Naresh Vijaykumar Goyal as a Joint Managing Director of the Company, who shall not be liable to retire by rotation, for a period of 3 (Three) years beginning from August 3, 2024, till August 2, 2027.

A brief profile of Mr. Naresh Vijaykumar Goyal along with additional information required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) is provided separately by way of Annexure to the Notice convening the 35<sup>th</sup> Annual General Meeting of the Company. The Board recommends his appointment.

➤ **Appointment of Mr. Navdeep Naresh Goyal (DIN: 02604876) as a Whole-time Director of the Company.**

On recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 3, 2024, approved the appointment and remuneration of Mr. Navdeep Naresh Goyal (DIN: 02604876) as the Whole-time Director of the Company for a period of 3 (Three) years beginning from August 3, 2024, till August 2, 2027, subject to the approval of the members.

Accordingly, shareholder's approval is sought at the ensuing Annual General Meeting of the Company for appointment & remuneration of Mr. Navdeep Naresh Goyal as a Whole-time



Director of the Company, who shall be liable to retire by rotation, for a period of 3 (Three) years beginning from August 3, 2024, till August 2, 2027.

A brief profile of Mr. Navdeep Naresh Goyal along with additional information required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) is provided separately by way of Annexure to the Notice convening the 35<sup>th</sup> Annual General Meeting of the Company. The Board recommends his appointment.

➤ **Change in designation of Mr. Rajveer Kamal Aggarwal (DIN: 07883896) from Whole-time director to Non-executive Director (Non-Independent).**

Mr. Rajveer Kamal Aggarwal (DIN: 07883896) has resigned as the Whole-time Director of the Company due to other business commitments with effect from August 3, 2024. Further, Mr. Rajveer Kamal Aggarwal will continue to be a Non-Executive Director (Non-Independent) of the Company. His resignation from the post of Whole-time Director has been accepted by the Board of Directors at their Meeting held on August 3, 2024.

➤ **Appointment of Mr. Ketan Bhailal Shah (DIN: 00058966) as an Additional Director (Non-Executive and Independent).**

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, the Articles of Association of the Company and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 22, 2024, appointed Mr. Ketan Bhailal Shah (DIN: 00058966) as an Additional Director (Non-executive and Independent) of the Company who holds office with effect from August 22, 2024, upto the date of ensuing Annual General Meeting of the Company. Further, Mr. Ketan Bhailal Shah was appointed as Independent Director for a term of five years commencing from August 22, 2024.

Pursuant to Regulation 17 and Regulation 25 of SEBI (LODR) Regulations, 2015, the appointment of an independent director shall be approved by the shareholders at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier by way of a special resolution. Also, Mr. Ketan Bhailal Shah is eligible for appointment as an Independent Director of the Company. Accordingly, shareholder's approval by way of a special resolution is sought at the ensuing Annual General Meeting for the appointment of Mr. Ketan Bhailal Shah as an Independent Director for a term of five years commencing from August 22, 2024, who shall not be liable to retire by rotation.

A brief profile of Mr. Ketan Bhailal Shah along with additional information required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) is provided separately by way of Annexure to the Notice convening the 35<sup>th</sup> Annual General Meeting of the Company. The Board recommends his appointment.

#### **D. Retirement by Rotation:**

As per the provisions of Section 152(6) of the Companies Act, 2013, not less than two-third of the total number of Directors, other than Independent Directors shall be liable to retire by rotation. One-third of these Directors are required to retire every year and if eligible, these Directors qualify for reappointment. Accordingly, Mr. Rajveer Kamal Aggarwal (DIN: 07883896), Non-executive Director (Non-independent) of the Company, shall retire by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible, offers himself for reappointment.

A brief profile of Mr. Rajveer Kamal Aggarwal along with additional information required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) is provided separately by way of Annexure to the Notice convening the 35<sup>th</sup> Annual General Meeting of the Company. The Board recommends his re-appointment.

**E. Re-appointment of the Managing Director and Whole-time Directors:**

The members at the 33<sup>rd</sup> Annual General Meeting of the Company held on July 26, 2022, approved the re-appointment of Mr. Kamalkumar Rajendra Aggarwal (DIN: 00139199) as a Managing Director of the Company and approved the re-appointment of Mr. Rajesh Chimanlal Gandhi (DIN: 03296784) and Mr. Himanshu Prafulchandra Purohit (DIN: 03296807) as the Whole-time Directors of the Company for a period of 3 (Three) years beginning from May 1, 2022, till April 30, 2025. Thus, the current term of Mr. Kamalkumar Rajendra Aggarwal as Managing Director of the Company and Mr. Rajesh Chimanlal Gandhi and Mr. Himanshu Prafulchandra Purohit as Whole-time Directors of the Company ends on April 30, 2025.

On recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 22, 2024, approved the re-appointment of Mr. Kamalkumar Rajendra Aggarwal as a Managing Director of the Company, who shall not be liable to retire by rotation, and approved the re-appointment of Mr. Rajesh Chimanlal Gandhi and Mr. Himanshu Prafulchandra Purohit as the Whole-time Directors of the Company, who shall be liable to retire by rotation, for a period of 3 (Three) years beginning from May 1, 2025, till April 30, 2028, subject to the approval of the members.

The Board of Directors at their meeting held on August 22, 2024, has also approved the remuneration payable to Mr. Kamalkumar Rajendra Aggarwal, Mr. Rajesh Chimanlal Gandhi and Mr. Himanshu Prafulchandra Purohit, subject to the approval of the members.

Accordingly, shareholder's approval is sought at the ensuing Annual General Meeting of the Company for re-appointment & remuneration of Mr. Kamalkumar Rajendra Aggarwal as a Managing Director of the Company, who shall not be liable to retire by rotation, and re-appointment & remuneration of Mr. Rajesh Chimanlal Gandhi and Mr. Himanshu Prafulchandra Purohit as the Whole-time Directors of the Company, who shall be liable to retire by rotation, for a period of 3 (Three) years beginning from May 1, 2025, till April 30, 2028.

A brief profile of the Managing Director and Whole-time Directors seeking re-appointment along with additional information required under Regulation 36(3) of SEBI (LODR) Regulations, 2015, and Secretarial Standard on General Meetings is provided separately by way of Annexure to the Notice convening the 35<sup>th</sup> Annual General Meeting of the Company.

**F. Declaration by Independent Directors:**

Pursuant to the provisions of Section 149 of the Companies Act, 2013, the Independent Directors' have submitted a separate declaration that each of them meets the criteria of independence as laid down in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015, and are not disqualified from continuing as Independent Directors of the Company. Further, during the financial year ended March 31, 2024, there has been no change in the circumstances affecting their status as Independent Directors of the Company.

## **G. Compliance with the Code of Conduct:**

Pursuant to the requirements of Regulation 26(3) of SEBI (LODR) Regulations, 2015, all members of the Board of Directors, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the code of conduct for Board of Directors, Key Managerial Personnel and senior management Personnel for the financial year ended March 31, 2024.

## **H. Familiarisation programme for Independent Directors:**

The objective of the familiarisation programme is to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes and about the overall functioning and performance of the Company. The policy on familiarisation programme and the details of familiarisation programme conducted by the Company is available on the website of the Company at <https://cscpl.com/investors-relations/familiarization-programme/>.

## **MEETINGS OF THE BOARD OF DIRECTORS:**

During the financial year ended March 31, 2024, 6 (Six) Meetings of the Board of Directors were held in accordance with the provisions of the Companies Act, 2013, and rules made thereunder, applicable Secretarial Standards and regulation 17 of SEBI (LODR) Regulations, 2015. The details of the Board Meetings with regard to their dates and attendance of each of the Directors thereat have been provided in the Corporate Governance Report which forms part of the Annual Report of the Company.

## **COMMITTEES OF THE BOARD:**

The Company has duly constituted the following Committees in terms of the provisions of the Companies Act, 2013 read with relevant rules framed thereunder and SEBI (LODR) Regulations, 2015:

- a. Audit Committee
- b. Stakeholders Relationship Committee
- c. Nomination and Remuneration Committee
- d. Corporate Social Responsibility Committee
- e. Risk Management Committee

The composition of all such Committees, brief terms of reference, number of meetings held during the financial year ended March 31, 2024, their dates and attendance thereat and other details have been provided in the Corporate Governance Report which forms part of the Annual Report of the Company. There has been no instance during the year where the recommendations of the Committees were not accepted by the Board.

### **A. Audit Committee:**

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015. As of March 31, 2024, the Company's Audit Committee comprised of Mr. Bharat Chunilal Shah as the Chairperson and Ms. Neelu Atulkumar Shah, Mr. Pankaj Amritlal Shah and Mr. Kamalkumar Rajendra Aggarwal as members of the Committee.

During the financial year 2023-24, Mr. Samir Chandrakant Patel resigned from the position of independent director and as member of Audit Committee of the company with effect from May 13, 2023. Further, Mr. Pankaj Amritlal Shah was appointed as an Independent Director and as a member

of the Audit Committee with effect from December 16, 2023.

#### **B. Stakeholders Relationship Committee:**

In compliance with the provisions of section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015, the Board has duly constituted a "Stakeholders Relationship Committee" to consider and resolve the grievances of security holders of the company. The Stakeholders' Relationship Committee comprises Mr. Bharat Chunilal Shah as the Chairperson and Mr. Rajesh Chimanlal Gandhi and Mr. Lalit Devidutt Chaudhary as members of the Committee.

#### **C. Nomination and Remuneration Committee:**

Pursuant to Section 178(1) of the Companies Act, 2013 and regulation 19 of SEBI (LODR) Regulations, 2015, the Company has constituted the Nomination and Remuneration Committee comprising of Mr. Lalit Devidutt Chaudhary as the Chairperson and Ms. Neelu Atulkumar Shah and Mr. Bharat Chunilal Shah as members of the Committee.

The Nomination and Remuneration Committee has formulated a policy defining the criteria for determining qualifications, positive attributes and independence of a director and recommended to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees known as Nomination and Remuneration Policy (NRC Policy). The NRC Policy is available on the Company's website at <https://cscpl.com/investors-relations/shareholder-information/disclosure-policies/>.

The salient features of the NRC Policy are as under:

1. Setting out scope and objective of the policy.
2. Defining role of the Committee.
3. Laying down the qualifications and criteria to appoint a Director.
4. Identification of criteria of independence for Independent Director.
5. Identifying the entitlement to non-executive Directors.
6. Framing structure of remuneration to the Executive Directors and Key Managerial Personnel and other employees.

#### **D. Corporate Social Responsibility (CSR) Committee:**

The Company has constituted as Corporate Social Responsibility (CSR) Committee in terms of Section 135 of the Companies Act, 2013 and the rules made thereunder. As of March 31, 2024, the CSR Committee of the Company comprised of three members, Mr. Navdeep Naresh Goyal as the Chairperson and Mr. Bharat Chunilal Shah and Mr. Rajveer Kamal Aggarwal as members of the Committee.

During the financial year 2023-24, Mr. Pradeep Vishambhar Agrawal resigned from the position of independent director of the Company and as a member of CSR Committee with effect from June 26, 2023. Subsequently, the Board of Director at its meeting held on August 11, 2023, reconstituted the Corporate Social Responsibility Committee by appointing Mr. Rajveer Kamal Aggarwal, Wholetime director of the Company, as member of the CSR Committee.

The Company has adopted the Corporate Social Responsibility Policy as recommended by CSR Committee pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. This policy is available on

Company's website at <https://cscpl.com/investors-relations/shareholder-information/disclosure-policies/>.

In accordance with the provisions of Section 135(5) of the Companies Act, 2013, the Company had a Corporate Social Responsibility (CSR) obligation of Rs. 155.42 Lakhs for the financial year 2023-24. During the year ending March 31, 2024, the Company spent Rs. 53.61 Lakhs on various CSR initiatives. The remaining unspent amount of Rs. 101.81 Lakhs is required to be transferred to a fund specified in Schedule VII within six months of the end of the financial year. Accordingly, the Company shall transfer this amount on or before September 30, 2024.

A detailed Annual Report on CSR activities for the financial year 2023-24, prepared in accordance with Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended as **Annexure - I** to this report.

#### **E. Risk Management Committee:**

The Risk Management Committee (RMC) of the Company is constituted in line with the provisions of Regulation 21 of SEBI (LODR) Regulations, 2015. As of March 31, 2024, The Risk Management Committee of the Company comprised of three members, Mr. Rajesh Chimanlal Gandhi as the Chairperson and Ms. Neelu Atulkumar Shah and Mr. Himanshu Prafulchandra Purohit as members of the Committee.

During the financial year 2023-24, Mr. Samir Chandrakant Patel resigned from the position of independent director of the Company and as a member and chairman of Risk Management Committee with effect from May 13, 2023. Subsequently, The Board of Director at its meeting held on August 11, 2023, reconstituted the Risk Management Committee by appointing Ms. Neelu Atulkumar Shah, Independent Director, as a member of the committee and designated Mr. Rajesh Chimanlal Gandhi as Chairperson of the committee.

The Board of Directors periodically evaluates the processes for Risk Identification and Risk Mitigation. The management of the Company has duly adopted the Risk Management Policy to articulate the Company's approach and expectations in relation to the management of risk across the organisation. The Risk Management Policy is available on Company's website at <https://cscpl.com/investors-relations/shareholder-information/disclosure-policies/>.

There are no specific risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which are inherent in business and type of industry in which the Company operates are elaborately described in the Management Discussion and Analysis forming part of the Annual Report.

#### **VIGIL MECHANISM:**

As per the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22(1) of SEBI (LODR) Regulations, 2015, the Company has adopted a Whistle Blower Policy, to provide a formal vigil mechanism to the employees to report their grievances / concerns about instances of unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct.

The Policy provides for adequate safeguards against victimisation of employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee in certain cases. It is affirmed that no personnel of the Company have been denied access to the Chairman of the Audit Committee.

The functioning of the vigil mechanism is reviewed by the Audit Committee from time to time. The Whistle Blower policy is available on the Company's website at <https://cscpl.com/investors-relations/disclosure-under-regulation-46-of-the-lodr/policies/>.

#### **PERFORMANCE EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board of Directors have carried out annual performance evaluation of the Board as a whole, Board Committees, Individual Directors and Independent Directors on the basis of criteria laid down in Performance Evaluation Policy of the Company.

The performance of Independent Directors, Non-executive Directors, Executive Directors, Whole-time Directors, Managing Directors and Chairperson was evaluated by all the members of the Nomination and Remuneration Committee (other than the member evaluating) on the basis of criteria laid down in Performance Evaluation Policy.

As required under Regulation 25 of SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held to evaluate the performance of the Chairperson, Non-Independent Directors and the Board as a whole and also to assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board.

The performance evaluation made by Nomination and Remuneration Committee and Independent Directors at their meeting was noted by the Board.

#### **AUDITORS:**

##### **Statutory Auditor:**

The Members of the Company at the 30<sup>th</sup> Annual General Meeting ("AGM") held on June 14, 2019, approved the appointment of M/s. K C Mehta & Co, Chartered Accountants, (now known as M/s. K C Mehta & Co LLP) as the Statutory Auditors of the Company for a period of five years from the conclusion of the said 30<sup>th</sup> AGM till the conclusion of 35<sup>th</sup> AGM. Accordingly, the tenure of M/s. K C Mehta & Co LLP shall end at the conclusion of the 35<sup>th</sup> AGM. The Board places on record the highest sense of appreciation for the valuable services rendered by them as the Statutory Auditors of the Company during their association with the Company.

The Board of Directors of the Company, on the recommendation of the Audit Committee, proposes the appointment of M/s. Shah Mehta & Bakshi, Chartered Accountants (FRN 103824W), as the Statutory Auditors of the Company for a period of five years, from the conclusion of the 35<sup>th</sup> AGM until the conclusion of the 40<sup>th</sup> AGM of the Company.

The Company has received a certificate from M/s. Shah Mehta & Bakshi, Chartered Accountants (FRN. 103824W), confirming that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of the Section 139(1), 141(2) and 141(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

##### **Qualification, reservation or adverse remark or disclaimer made by the statutory auditor in his report and comments by the Board:**

M/s. K C Mehta & Co LLP, Statutory Auditors, have not made any modified opinion, qualifications, reservations, adverse remarks or disclaimers in their report for the financial year ended March 31, 2024.

Accordingly, the board is not required to provide any explanation or comments in terms of Section 134(3)(f)(i) of the Companies Act, 2013.

Further, there are no frauds reported by the Auditor which are required to be disclosed under Section 143(12) of Companies Act, 2013, for the financial year ended March 31, 2024.

#### **Cost Auditor:**

Based on the recommendation of the Audit Committee, the Board of Directors of the Company has re-appointed, M/s Chetan Gandhi & Associates, Cost Accountants (Firm Registration No. 101341) as the Cost Auditor of the Company for the financial year 2024-25. The remuneration payable to the Cost Auditor is required to be ratified by the Shareholders at the ensuing AGM and accordingly, a resolution seeking ratification has been included in the Notice convening the 35<sup>th</sup> AGM.

The Company has made and maintained necessary cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014.

The Cost Audit report for the financial year ended March 31, 2024, does not contain any qualification, reservation or adverse remark and has been furnished to the Central Government within the prescribed time limits.

#### **Secretarial Auditor:**

Pursuant to provision of section 204 of the Companies Act 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended or re-enacted from time to time), and as recommended by the Audit Committee, M/s. Rathod & Co, Practising Company Secretaries, were re-appointed as Secretarial Auditor by the Board for conducting the Secretarial Audit of the Company for the financial year 2023-24.

The Secretarial Audit report for the financial year 2023-24 as provided by M/s. Rathod & Co, Practising Company Secretaries, is appended as **Annexure II** to this report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

In accordance with SEBI Circular dated 8 February 2019 read with Regulation 24A of SEBI (LODR) Regulations, 2015, the Company has obtained an Annual Secretarial Compliance Report from M/s. Rathod & Co, Practising Company Secretaries, confirming compliances with all applicable SEBI Regulations, Circulars and Guidelines for the financial year 2023-24. The Annual Secretarial Compliance Report for abovesaid financial year has been submitted to the stock exchanges within 60 days of the end of the said financial year.

M/s. Rathod & Co, Practising Company Secretaries, has issued a certificate confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by Securities and Exchange Board of India ("SEBI")/Ministry of Corporate Affairs ("MCA") or any such statutory authority. The said Certificate is annexed to the Report on Corporate Governance which forms part of the Annual Report.

#### **Internal Auditor:**

The Internal Auditor of the Company is appointed by the Board on yearly basis, on the recommendation

of the Audit Committee. The findings of internal audit are reported by the Internal Auditor to the Audit Committee on a periodic basis.

M/s Kulin Shah & Associates, Chartered Accountants, (FRN: 139661W), are appointed as the Internal Auditors of the Company to conduct the internal audit for the financial year 2024-25.

#### **PARTICULARS OF EMPLOYEES AND REMUNERATION:**

Disclosures with respect to information 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 and the statement required under Rule 5(2) of the said rules is appended as **Annexure III**.

#### **DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company, to the best of their knowledge and belief and according to information and explanation obtained by them, confirm that:

- a. In the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards had been followed and there is no material departures;
- b. They have 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 for the financial year ended March 31, 2024, and of the profit and loss of the company for that period;
- c. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. They have prepared the annual accounts on a going concern basis;
- e. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

#### **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR):**

The Business Responsibility and Sustainability Report, as stipulated under Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015, describing the initiatives taken by the Company from an environmental, social and governance perspective is appended as **Annexure IV**.

#### **CORPORATE GOVERNANCE:**

As per Regulation 34 read with Schedule V(C) of SEBI (LODR) Regulations, 2015, a separate section on Report on Corporate Governance practices followed by the Company is included in the Annual Report.

A Certificate from M/s. Rathod & Co, Practicing Company Secretaries regarding compliance with the conditions of Corporate Governance is appended as **Annexure V**.

#### **ANNUAL RETURN:**

As required under Section 134(3)(a) of the Companies Act, 2013, the draft of the Annual Return, referred to in sub-section (3) of section 92, for the financial year ended March 31, 2024, is placed on the



Company's website and can be accessed at <https://cscpl.com/investors-relations/shareholder-information/general-meeting/35th-agm/>.

#### **INTERNAL FINANCIAL CONTROLS:**

Internal Financial Controls are an integral part of the risk management process. The Company has adequate internal financial controls in place to address financial and financial reporting risks. The internal financial controls with reference to the financial statements are commensurate with the size and nature of business of the Company.

This internal financial control system of the Company is being checked by the Internal Auditors. The system helps in improving operational and financial efficiency of the Company, safeguarding of assets and prevention and detection of frauds, if any. No material observations have been received from the Internal Auditors of the Company regarding inefficiency or inadequacy of such controls.

During the financial year 2023-24, the Company has tested its controls and the same are effectively working. Report on Internal Financial Controls as required under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013, is provided by the Statutory Auditor of the Company and forms part of the Independent Auditors' Report.

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

The Company has zero tolerance for sexual harassment at workplace and has set up an Internal Complaints Committee to consider and resolve all complaints relating to sexual harassment to its women employees at workplace. The Company has taken various initiatives to ensure a safe and healthy workplace for its women employees.

The Company has also adopted a policy for prevention of Sexual Harassment of Women at workplace pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No complaints of sexual harassment were received by the Company during the financial year 2023-24.

#### **CREDIT RATING:**

As of the financial year ended March 31, 2024, the Company had a Long-Term Rating of CRISIL BBB+/Negative (Outlook revised from 'Stable'; Rating Reaffirmed). The Credit Rating Letter is available on the website of the Company at, [https://cscpl.com/wp-content/uploads/investors-relations/credit-ratings/crisil-ratings\\_sep-23.pdf](https://cscpl.com/wp-content/uploads/investors-relations/credit-ratings/crisil-ratings_sep-23.pdf)

The Company has also submitted the disclosure in respect of the above to both the exchanges where the shares of the Company are listed, namely, BSE Limited and National Stock Exchange of India Limited as required under Regulation 30 of SEBI (LODR) Regulations, 2015.

#### **RELATED PARTY TRANSACTIONS:**

All Related Party Transactions that were entered into by the Company with the Related Parties, during the financial year 2023-24, were on an arm's length basis, in the ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

All Related Party Transactions are appropriately approved by the Audit Committee. Prior omnibus

approval of the Audit Committee is obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the name of the Related Party, nature and value of the transactions.

During the year under review, there were no material contracts or arrangement, or transactions entered into by the Company with related parties hence, there were no transactions with Related Parties during the year which are required to be reported in Form AOC-2.

Disclosure of all the transactions entered by the Company with related parties are set out in Note No. 27(e) of the Financial Statements of the Company in the format prescribed in the relevant Accounting Standards.

In terms of the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Company has adopted a Policy on Related Party Transactions which is available on the website of the Company at <https://cscpl.com/investors-relations/disclosure-under-regulation-46-of-the-lodr/policies>.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED AGAINST THE COMPANY:**

During the year under review there were no significant and material orders passed by the Regulators or Courts or Tribunals or Statutory and quasi-judicial body impacting the going concern status and the Company's operations in future.

#### **DEPOSITS:**

No public deposits have been accepted or renewed by the Company during the financial year 2023-24 pursuant to Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Companies Act, 2013, or the details of deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013, is not applicable.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

During the financial year 2023-24, the Company has not given any loan, has not provided any guarantee or security for any loan nor has made any investments under the provisions of Section 186 of the Companies Act, 2013.

#### **ISO CERTIFICATE:**

The Company is holding ISO 9001: 2015 and ISO 14001:2015 certification.

#### **INDUSTRIAL RELATIONS:**

Industrial relations at all divisions of the Company have always been cordial and continue to be so. The relationship with the workmen and staff remained cordial and harmonious during the year and the management received full cooperation from the employees. The Company strives to provide a healthy, conducive and competitive work environment to enable the employees excel and create new benchmarks of quality, productivity, efficiency and customer delight.

#### **INSURANCE:**

The Company has obtained public liability insurance in compliance with the requirements under the Public Liability Insurance Act, 1991, as amended, as well as industrial all risk insurance (including material

damage and business interruption insurance) with respect to the manufacturing facility, covering inter alia buildings, plant and machinery, furniture and stock located therein and a marine cargo open policy with respect to the key products and raw materials. The Company has also obtained standard fire and special perils policies with respect to the corporate office and solar plant. The Company has obtained a money insurance policy covering the corporate office and manufacturing facility at Vadodara. Further, the Company has also undertaken Directors and Officers insurance ('D and O insurance') as per Regulation 25(10) of SEBI (LODR) Regulations, 2015.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO:**

The details pertaining to conservation of energy, technology absorption, foreign exchange Earnings and outgo as required under Section 134(3) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is appended as **Annexure VI**.

#### **COMPLIANCE WITH SECRETARIAL STANDARDS:**

During the financial year 2023-24, the Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government, in terms of Section 118(10) of the Companies Act, 2013.

#### **MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY:**

There have been no material changes and commitments affecting the financial position of the Company occurred after the closure of financial year ended March 31, 2024, and till the date of this report.

#### **GENERAL DISCLOSURES:**

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

- a. Issue of equity shares with differential rights as to dividend, voting or otherwise as per Section 43(a)(ii) of the Companies Act, 2013.
- b. The Company does not have any subsidiaries hence, disclosure on remuneration or commission received by the Managing Director or the Whole-time Directors of the Company from any of its subsidiaries is not applicable.
- c. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- d. Disclosure on non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013 is not applicable.
- e. The Company has not made any application and there are no pending proceedings under the Insolvency and Bankruptcy Code, 2016.
- f. The Company is solvent and financially healthy hence there were no instance of one-time settlement with Banks or Financial Institutions during the financial year 2023-24.

#### **ACKNOWLEDGEMENT:**

The Directors place on record their sincere appreciation for the steadfast commitment and highly motivated performance by employees at all levels, which was instrumental in the sustained performance

of the Company. The Directors would also like to express their appreciation for the assistance and co-operation of Central and State Government authorities, bankers, customers, suppliers and business associates. The Directors acknowledge with gratitude, the encouragement and support extended by the Company's valued stakeholders.

For and on behalf of the Board  
**Chemcon Speciality Chemicals Limited**

**Kamalkumar Rajendra Aggarwal**  
Chairman & Managing Director  
DIN: 00139199

Place: Vadodara  
Date: August 22, 2024

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

[Pursuant to section 135 of the Companies Act, 2013 read with Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014]

**1. A brief outline of the company's CSR Policy:**

Chemcon Speciality Chemicals Limited (the 'Company') is fully aware of its corporate social responsibility, which helps build trust among all stakeholders. The Corporate Social Responsibility Policy (the "CSR Policy") shall apply to all CSR activities undertaken or sponsored by the Company. The policy underlines the guiding principles and mechanisms for undertaking various CSR activities/programs by the Company in accordance with Section 135 and Schedule VII of the Companies Act, 2013 (the "Act") read with the rules made thereunder.

**2. The Composition of the CSR Committee:**

As on March 31, 2024, the CSR Committee comprised of following members:

Sr. No.	Name of Director	Designation	Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Navdeep Naresh Goyal	Chairman	Deputy Managing Director	1	1
2	Bharat Chunilal Shah	Member	Independent Director	1	1
3	Rajveer Kamal Aggarwal	Member	Wholetime Director	1	1

During the financial year 2023-24, Mr. Pradeep Vishambhar Agrawal resigned from the position of independent director of the Company and as a member of CSR Committee with effect from June 26, 2023. Subsequently, the Board of Director at its meeting held on August 11, 2023, reconstituted the Corporate Social Responsibility Committee by appointing Mr. Rajveer Kamal Aggarwal, Wholetime director of the Company, as member of the CSR Committee.

**3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://www.csopl.com>**

**4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable for the year under review.**

**5. CSR obligation for the financial year:**

(INR in Lakhs)

Sr. No.	Particulars	Amount
(a)	Average net profit of the company as per section 135(5)	7,771.18
(b)	Two percent of average net profit of the company as per sub-section (5) of section 135:	155.42
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	0.00
(d)	Amount required to be set-off for the financial year, if any.	0.00
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)].	155.42

**6. CSR amount spent or unspent for the Financial Year:**

(INR in Lakhs)

Sr. No.	Particulars	Amount
(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	53.61
(b)	Amount spent in Administrative Overheads.	0.00
(c)	Amount spent on Impact Assessment, if applicable.	0.00
(d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	53.61

**(e) CSR amount spent or unspent for the Financial Year:**

(INR in Lakhs)

Total amount spent for the financial year	Amount unspent				
	Total amount transferred to the Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per the second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
53.61	-	-	-	-	-

In accordance with the provisions of Section 135 (5) of Companies Act, 2013, the Company is liable to transfer Rs. 101.81 Lakhs unspent CSR amount to a fund specified in Schedule VII, within a period of six months from the closure of the financial year. Accordingly, the Company shall transfer the said amount on or before September 30, 2024. The board of directors of the Company have decided to transfer the unspent CSR amount of Rs. 101.81 Lakhs to a fund specified in Schedule VII as recommended by CSR Committee.

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

(INR in Lakhs)

Sl. No.	Particulars	Amount
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	155.42
(ii)	Total amount spent for the Financial Year	53.61
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

**7. Details of the unspent Corporate Social Responsibility amount for the preceding three financial years:**

(INR in Lakhs)

Sl. No	Preceding financial year	Amount transferred to the Unspent CSR Account under sub-section (6) of section 135	Balance Amount in Unspent CSR Account under sub-section (6) of section 135	Amount spent in the financial year	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of Transfer		
1	2022-23	-	-	-	77.01	26-09-2023	-	-
2	2021-22	24.39	-	24.39	-	-	-	-
3	2020-21	-	-	-	93.22	30-09-2021	-	-

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No**

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

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

(INR in Lakhs)

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
NIL							

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

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

The company was in the process of identifying and finalizing key areas for Corporate Social Responsibility (CSR) contributions. As a result, it was unable to allocate the requisite amount towards CSR activities during the financial year 2023-24.

For and on behalf of the Board

**Chemcon Speciality Chemicals Limited**

**Kamalkumar Rajendra Aggarwal**

Chairman & Managing Director

DIN: 00139199

**Navdeep Naresh Goyal**

Chairman CSR Committee

DIN: 02604876

Place: Vadodara  
 Date: August 22, 2024

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

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

To,  
The Members,  
Chemcon Speciality Chemicals Limited  
Block No. 355, Manjusar Kunpad Road,  
Manjusar Village, Taluka Savli,  
Vadodara - 391775, Gujarat

We, Rathod & Co., Practicing Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Chemcon Speciality Chemicals Limited (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We further report that maintenance of proper and updated books, papers, minutes books, filing of forms and returns with applicable regulatory authorities and maintaining other records is the responsibility of the management of the Company. Our responsibility is to verify the content of the documents and returns produced before us and make an objective evaluation of the content in respect of compliance and report thereon.

We have examined the books, papers, minute books, forms and returns filed with regulatory authorities and other records maintained by the Company and produced before us for the financial year ended on March 31, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent applicable to the Company;
- (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;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the Audit Period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the Audit Period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the Audit Period)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the Audit Period)
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (Not applicable to the Company during the Audit Period)
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - (j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

We have also in-principally verified the systems and mechanism which is in place and followed by the Company to ensure compliance of other applicable Laws including Labour Laws, etc. (to the extent applicable to the Company). We have also relied on the representations made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013.
- (ii) The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

Based on the above said information provided by the Company, we report that during the financial year ended March 31, 2024, the Company has complied with the provisions of the Companies Act, 2013 and Rules made thereunder, Regulations, Guidelines, Standards, etc. as mentioned above except the below non-compliance:

“During the financial year 2023-24, two Independent Directors of the Company resigned from the Board of Directors on May 13, 2023, and June 26, 2023, and the Company appointed two Independent Directors in place of the Independent Directors who resigned from the board of directors after the period of three months from the date of vacancy, this resulted in non-compliance with Regulation 17(1), Regulation 17(1E) and Regulation 25(6) of the SEBI (LODR) Regulations, 2015.”

#### **We further report that:**

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

We also report that adequate notice/s were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda and the same were sent at least seven days in advance and at shorter notice, in case of urgency and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the representation made by the Company and its officers, we herewith report that the majority decisions were carried through, and we have been informed that proper system is in place which facilitates/ensures to capture and record, the dissenting member's views, if any, as part of the minutes.

We further report that based on the review of systems and processes adopted by the Company and the certificate for compliance of various applicable laws submitted by the Company Secretary and other officials of the Company on quarterly basis and placed before the meeting of Board of Directors and which were taken on record by the Board of Directors, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines, to the extent applicable to the Company.

We further report that during the audit period under review, there was no specific event / action having a major bearing on the Company's affairs.

This report is to be read with the letter of even date which is annexed as [Annexure A](#) and forms an integral part of this report.

**For Rathod & Co.**

Practicing Company Secretaries

Place: Anand  
Date: August 12, 2024  
UDIN: A054460F000951081

**Chirag Vinodbhai Rathod**

Membership No.: 54460

CP. No.: 20186

Peer Review Certificate No.: 1762/2022

To,  
The Members,  
**Chemcon Speciality Chemicals Limited**  
Block No. 355, Manjusar Kunpad Road,  
Manjusar Village, Taluka Savli,  
Vadodara - 391775, Gujarat

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis (by verifying the records as was made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company, and we rely on Auditor's Independent Assessment of the same.
4. Our Audit was based on examination, in physical or electronic form, as feasible under the prevailing circumstances, of books and records maintained by the Company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
6. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on a test basis.
7. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Rathod & Co.**  
Practicing Company Secretaries

Place: Anand  
Date: August 12, 2024  
UDIN: A054460F000951081

**Chirag Vinodbhai Rathod**  
Membership No.: 54460  
CP. No.: 20186  
Peer Review Certificate No.: 1762/2022

**Annexure - III**

**DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013**

**PART (A) - DISCLOSURE AS REQUIRED UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

- i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year ending March 31, 2024:

Name	Number of Times	
	if total remuneration of the Director, excluding variable pay, is considered	if total remuneration of the Director is considered
<b>Chairman and Managing Director</b>		
Kamalkumar Rajendra Aggarwal	17.46	37.47
<b>Deputy Managing Director</b>		
Navdeep Naresh Goyal	26.20	46.21
<b>Whole-time Director and Chief Financial Officer</b>		
Rajesh Chimanlal Gandhi	14.52	14.52
<b>Whole-time Director</b>		
Himanshu Prafulchandra Purohit	14.52	14.52
Rajveer Kamal Aggarwal	8.73	8.73
<b>Independent Director</b>		
Lalit Devidutt Chaudhary	NA	NA
Pradeep Vishambhar Agrawal (till 26.06.2023)	NA	NA
Neelu Atulkumar Shah	NA	NA
Bharat Chunilal Shah	NA	NA
Samir Chandrakant Patel (till 13.05.2023)	NA	NA
Pankaj Amritlal Shah (16.12.2023 Onwards)	NA	NA
Lalit Ramniklal Mehta (16.12.2023 Onwards)	NA	NA

Independent Directors were in receipt of sitting fees only. There has been no change in the payment criteria for remuneration to Independent Directors. Sitting Fees paid to the Directors has not been considered as remuneration.

- ii. The % increase in remuneration of Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, for the financial year ending March 31, 2024:

<b>Name</b>	<b>% Increase/(Decrease) over last FY</b>
<b>Chairman and Managing Director</b>	
Kamalkumar Rajendra Aggarwal	(65.44%)
<b>Deputy Managing Director</b>	
Navdeep Naresh Goyal	(60.56%)
<b>Whole-time Director and Chief Financial Officer</b>	
Rajesh Chimanlal Gandhi	27.88%
<b>Whole-time Director</b>	
Himanshu Prafulchandra Purohit	27.88%
Rajveer Kamal Aggarwal	0.00%
<b>Company Secretary</b>	
Shahilkumar Maheshbhai Kapatel	0.00%
<b>Independent Director</b>	
Lalit Devidutt Chaudhary	NA
Pradeep Vishambhar Agrawal (till 26.06.2023)	NA
Neelu Atulkumar Shah	NA
Bharat Chunilal Shah	NA
Samir Chandrakant Patel (till 13.05.2023)	NA
Pankaj Amritlal Shah (16.12.2023 Onwards)	NA
Lalit Ramniklal Mehta (16.12.2023 Onwards)	NA

- iii. The % increase in the median remuneration of employees during the financial year ended March 31, 2024:

There was an increase of 7.75% in the median remuneration of employees during the financial year ended March 31, 2024.

- iv. The number of permanent employees on the rolls of the Company as on March 31, 2024: There were 220 permanent employees on the rolls of the Company as on March 31, 2024.
- v. Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration.

There was no average percentile increase in the salaries of employees, other than managerial personnel, during the financial year 2023-24. On the contrary, the managerial remuneration during the financial year 2023-24 was diminished by 52.75%.

- vi. It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

**PART (B) - Information as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year ended March 31, 2024.**

i. Details of Top Ten Employees in terms of Remuneration drawn during the Financial Year ended March 31, 2024:

Sr. No.	Name of Employee	Designation	Remuneration (Rs. In Lacs)	Nature of Employment	Qualification	Experience in Years	Date of commencement of Employment	Age in Years	The Last Employment held before joining the Company	% of Equity share held
1	Kamalkumar Rajendra Aggarwal	Chairman and Managing Director	103.00	Permanent	Diploma in petrochemical technology (plastic technology)	28	19/01/2004	61	First Employment	#27.81%
2	Navdeep Naresh Goyal	Deputy Managing Director	127.00	Permanent	Higher secondary examinations	13	01/04/2015	34	First Employment	#23.5%
3	Rajesh Chimanlal Gandhi	Whole-time Director and Chief Financial Officer	39.90	Permanent	Bachelor's degree in commerce	25	19/01/2004	53	First Employment	NIL
4	Himanshu Prafulchandra Purohit	Whole-time Director	39.90	Permanent	Master's degree in science in inorganic chemistry	25	19/01/2004	51	First Employment	NIL
5	Rajveer Kamal Aggarwal	Whole-time Director	24.00	Permanent	Bachelor's degree in chemical engineering	8	01/10/2017	29	First Employment	6.91%
6	Pramod Laxman Mokal	Manager - Production	17.11	Permanent	BE – Chemical	10	01/01/2014	49	Paushak Ltd.	NIL
7	Ashish Babubhai Luhar	Manager - Production	17.02	Permanent	B.SC. – Chemical, M.SC. – Chemical	13	05/08/2011	49	Cadila Healthcare Ltd.	NIL
8	Ajaykumar Harishchandra Mehta	Manager - Purchase	16.20	Permanent	Diploma – Electrical	21	04/01/2003	51	First Employment	NIL

Sr. No.	Name of Employee	Designation	Remuneration (Rs. In Lacs)	Nature of Employment	Qualification	Experience in Years	Date of commencement of Employment	Age in Years	The Last Employment held before joining the Company	% of Equity share held
9	Chiragkumar Jayantkumar Joshi	Manager - Engineering	16.00	Permanent	BE – Mechanical	7	28/01/2017	50	Best Value Chem Private Limited	NIL
10	Jalpa Maneklal Chauhan	Manger - Marketing	15.57	Permanent	BCA, MBA – Marketing	9	08/04/2015	35	Prakash Chemicals International Private Ltd.	0.00%

# Includes % of Equity share jointly held

ii. Disclosure of relation of employee with director or manager of the Company:

Mr. Kamalkumar Rajendra Aggarwal is father of Mr. Rajveer Kamal Aggarwal. No other employee is related with any director or manager of the Company.

iii. Details of every Employee, who was employed throughout the Financial Year, was in receipt of Remuneration for that year which, in the aggregate, was not less than One Crore and Two lakh Rupees:

No other employee was in receipt of remuneration, in the aggregate, of One Crore and Two lakh Rupees or more except from those already disclosed in point i. above.

iv. Details of every Employee, who was employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight lakh fifty thousand Rupees per Month: **Not Applicable**

v. Details of every Employee, who was employed throughout the financial year or part thereof, was in receipt of Remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than Two percent of the Equity Shares of the Company: **Not Applicable**

vi. Details of Employees posted and working in a country outside India, not being Directors or their relatives, drawing more than Sixty lakh Rupees per financial year or Five lakh Rupees per month, as the case may be, during the Financial Year 2023-24: **Not Applicable**

For and on behalf of the Board  
**Chemcon Speciality Chemicals Limited**

**Kamalkumar Rajendra Aggarwal**  
 Chairman & Managing Director  
 DIN: 00139199

Place: Vadodara  
 Date: August 22, 2024

**Annexure - IV**

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT**

**For the financial year ended March 31, 2024**

**SECTION A: GENERAL DISCLOSURES**

**I. DETAILS OF THE LISTED ENTITY**

1.	Corporate Identity Number (CIN) of the Listed Entity	L24231GJ1988PLC011652
2.	Name of the Listed Entity	CHEMCON SPECIALITY CHEMICALS LIMITED
3.	Date of incorporation	15/12/1988
4.	Registered office address	Block No. 355, Manjusar-Kunpad Road, Village: Manjusar, Taluka: Savli, Dist.: Vadodara – 391 775, Gujarat
5.	Corporate address	9th Floor, Onyx Business Center, Akshar Chowk, Old Padra Road, Vadodara – 390020, Gujarat, India
6.	E-mail	<a href="mailto:investor.relations@cscpl.com">investor.relations@cscpl.com</a>
7.	Telephone	+91 265 2981195
8.	Website	<a href="http://www.cscpl.com">www.cscpl.com</a>
9.	Financial year for which reporting is being done	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited and BSE Limited
11.	Paid-up Capital (In Rs.)	366307010
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Kamalkumar Rajendra Aggarwal Chairman & Managing Director +91 265 2981195 <a href="mailto:investor.relations@cscpl.com">investor.relations@cscpl.com</a>
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

**II. PRODUCTS/SERVICES**

16. DETAILS OF BUSINESS ACTIVITIES (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Manufacturing of Organic and Inorganic Chemicals	Manufacturing of Hexamethyl Disilazane (HMDS), Chloromethyl Isopropyl Carbonate (CMIC), Bromobenzene and Bromides	97.10%



17. PRODUCTS/SERVICES SOLD BY THE ENTITY (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of Total Turnover Contributed
1.	Manufacture of organic and inorganic chemical compounds n.e.c	20119	100.00%

### III. OPERATIONS

18. NO. OF LOCATIONS WHERE PLANTS AND/OR OPERATIONS/OFFICES OF THE ENTITY ARE SITUATED:

Location	Number of plants	Number of offices	Total
National	*9	1	10
International	-	-	-

\*All the above plants are located at single location at Manjusar, Vadodara.

19. MARKETS SERVED BY THE ENTITY:

a.	Number of Locations	<b>Locations</b>	<b>Number</b>
		National (No. of States)	12 States
		International (No. of Countries)	15 Countries
b.	What is the contribution of exports as a percentage of the total turnover of the entity?	40.79%	
c.	A brief on types of customers	The Company is engaged in manufacturing oil-field completion chemicals, pharmaceutical intermediaries and agro-chemicals, hence the types of customers the company serves belongs to Agro-chemical industries, oil & gas industries and pharmaceutical industry.	

### IV. EMPLOYEES

20. DETAILS AS AT THE END OF FINANCIAL YEAR 2023-24:

a. Employees and workers (including differently abled):

No.		Particulars	Total (A)	Male		Female	
				No. (B)	% (B/A)	No. (C)	% (C/A)
1.	EMPLOYEES	Permanent (D)	220	217	98.64%	3	1.36%
2.		Other than Permanent (E)	-	-	-	-	-
3.		Total Employees (D + E)	220	217	98.64%	3	1.36%
4.	WORKERS	Permanent (F)	-	-	-	-	-
5.		Other than Permanent (G)	150	150	100%	-	-
6.		Total Workers (F + G)	150	150	100%	-	-

b. Differently abled employees and workers:

No.		Particulars	Total (A)	Male		Female	
				No. (B)	% (B/A)	No. (C)	% (C/A)
1.	DIFFERENTLY ABLED EMPLOYEES	Permanent (D)	1	1	100%	-	-
2.		Other than Permanent (E)	-	-	-	-	-
3.		Total Employees (D + E)	1	1	100%	-	-
4.	DIFFERENTLY ABLED WORKERS	Permanent (F)	-	-	-	-	-
5.		Other than Permanent (G)	-	-	-	-	-
6.		Total Employees (F + G)	-	-	-	-	-

## 21. PARTICIPATION/INCLUSION/REPRESENTATION OF WOMEN

Particular	Total (A)	No. of percentage of females	
		No. (B)	% (B/A)
Board of Directors	10	1	10%
Key Management Personnel (including Chairman & Managing Director, Deputy Managing Director, Whole Time Director, CFO and CS)	*6	-	-

\*The Key Managerial Personnel includes Whole-time Directors and Managing Director who are also included in the number of Board of Directors.

## 22. TURNOVER RATE FOR PERMANENT EMPLOYEES AND WORKERS

Particular	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	11.79%	-	11.79%	26.28%	1.46%	27.74%	21.50%	0.50%	22.00%
Permanent Workers	-	-	-	-	-	-	-	-	-

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

23 (a) NAMES OF HOLDING/SUBSIDIARY/ASSOCIATE COMPANIES/JOINT VENTURES:

Sr. No.	Name of the holding/ subsidiary/associate companies/ joint ventures (A)	Indicate whether holding/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the business responsibility initiatives of the listed entity? (Yes/No)
-	-	-	-	-

## VI. CSR DETAILS

24.	Particular	
(i)	Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
(ii)	Turnover (in Rs. Lakhs) (FY 2023-24)	26,709.21
(iii)	Net worth (in Rs. Lakhs) (FY 2023-24)	47,640.85

## VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

### 25. COMPLAINTS/GRIEVANCES ON ANY OF THE PRINCIPLES (PRINCIPLES 1 TO 9) UNDER THE NATIONAL GUIDELINES ON RESPONSIBLE BUSINESS CONDUCT

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (Yes/No)	(If yes, then provide the weblink for the grievance redress policy)	FY 2023-24 (Current financial year)			FY 2022-23 (Previous financial year)		
			Number of complaints filed during the year	Number of complaints pending Resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending Resolution at close of the year	Remarks
Communities	Yes	<a href="https://cscpl.com/investors-relations/shareholder-information/disclosure-policies/">https://cscpl.com/investors-relations/shareholder-information/disclosure-policies/</a>	-	-	-	-	-	-
Investors (Other than shareholders)	Yes		-	-	-	-	-	-
Shareholders	Yes		5	0	-	11	0	-
Employees and workers	Yes		-	-	-	-	-	-
Customers	Yes		-	-	-	-	-	-
Value Chain Partners	Yes		-	-	-	-	-	-
Other (please specify)	NA		-	-	-	-	-	-

### 26. OVERVIEW OF THE ENTITY'S MATERIAL RESPONSIBLE BUSINESS CONDUCT ISSUES

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:










Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk /opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Regulatory Compliance	Risk	Industries face increasing regulations related to environmental protection, resource usage, emissions, waste management, and more. Failure to comply with these regulations can result in fines, legal actions, and reputational damage.	Timely and accurate adherence to compliance with applicable laws and regulations.	Negative Implications
2	Climate Change	Risk	Industries are vulnerable to the physical impacts of climate change such as extreme weather events, rising sea levels, and changing temperature patterns.	Transition to Renewable Energy so far as possible.	Negative Implications

3	Supply Chain	Risk	Global supply chains can be vulnerable to disruptions caused by environmental factors, such as natural disasters, as well as social issues like labour rights violations.	Avoiding relying heavily on a single supplier or location.	Negative Implications
4	Innovation and New Markets	Opportunity	Developing sustainable products and technologies can open new markets and revenue streams and eventually gain a competitive advantage.	NA	Positive Implications
5	Employee Engagement	Opportunity	Demonstrating a commitment to sustainability can attract and retain employees who are aligned with the company's values and mission.	NA	Positive Implications
6	Reducing Carbon Footprint	Opportunity	Mitigating the effects of global climate change, improves energy efficiency, improves climate change impacts.	NA	Positive Implications

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines on Responsible Business Conduct (NGRBC) released by the Ministry of Corporate Affairs has recognised nine thematic pillars of business responsibility which are called Principles. These principles are as under:

<b>Principle 1</b>		Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.
<b>Principle 2</b>		Businesses should provide goods and services in a manner that is sustainable and safe.
<b>Principle 3</b>		Businesses should respect and promote the well-being of all employees, including those in their value chains.
<b>Principle 4</b>		Businesses should respect the interests of and be responsive to all its stakeholders.
<b>Principle 5</b>		Businesses should respect and promote human rights.
<b>Principle 6</b>		Businesses should respect and make efforts to protect and restore the environment.
<b>Principle 7</b>		Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
<b>Principle 8</b>		Businesses should promote inclusive growth and equitable development.
<b>Principle 9</b>		Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions	Business Ethics	Product Sustainability	Employees Wellbeing	Stakeholder Engagement	Human Rights	Environment and Safety	Responsible Advocacy	CSR	Customer Value
	P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	<a href="https://cscpl.com/investors-relations/shareholder-information/disclosure-policies/">https://cscpl.com/investors-relations/shareholder-information/disclosure-policies/</a>								
2. Whether the entity has translated the policy into procedures? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your Value Chain Partners? (Yes/No)	No	Yes	Yes	No	No	No	No	No	No
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Company is practicing the following standards: - ISO 9001:2015 - ISO 14001:2015								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	-	-	-	-	-	-	-	-	-
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Governance, leadership and oversight</b>									
7. Statement by the Director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements (listed entity has a flexibility regarding the placement of this disclosure)	<p>At Chemcon Speciality Chemicals Limited, we recognize that our success is inseparable from our commitment to Environmental, Social, and Governance (ESG) principles. As a responsible corporate citizen, we are dedicated to addressing the challenges posed by ESG issues, setting ambitious targets, and celebrating our achievements. Our holistic approach to ESG underscores our commitment to sustainable growth and positive societal impact.</p> <p>We acknowledge the urgency of climate change and are committed to reducing our carbon footprint. We also recognize the importance of preserving natural resources and are targeting to reduce water consumption and minimize waste generation through increased recycling and sustainable initiatives.</p> <p>As we look forward, we remain steadfast in our dedication to addressing ESG challenges, meeting our targets, and advancing responsible business practices. By aligning our actions with our values, we aim to create long-term value for our shareholders, employees, customers, and the planet. Together, we are shaping a sustainable future.</p>								

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Kamalkumar Rajendra Aggarwal Chairman & Managing Director +91 265 2981195 investor.relations@cscpl.com
9. Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability related issues? (Yes/No). If yes, provide details.	Yes Kamalkumar Rajendra Aggarwal Chairman & Managing Director +91 265 2981195 investor.relations@cscpl.com

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ any other Committee									Frequency (annually/ half-yearly/ quarterly/any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Director									Annually								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Director									Annually								

Question	P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
11. Has the entity carried out an independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	No	No	No	No	No	No	No	No	No

12. If the answer to question (1) above is 'No' i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
The entity does not consider the principles material to its business (Yes/No)	<b>Not Applicable</b>								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

**SECTION C:**  
**PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is

mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

## PRINCIPLE 1

**Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

### ❖ **ESSENTIAL INDICATORS:**

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	3	<ul style="list-style-type: none"> <li>• Directors Familiarisation Program</li> <li>• Code of Conduct</li> <li>• Risk Management</li> </ul>	100%
Key Managerial Personnel (KMP)	-	-	-
Employees other than BOD and KMPs	14	<ul style="list-style-type: none"> <li>• Seminar On Social Compact</li> <li>• Code of Conduct, Discipline, Safety Etc.</li> <li>• Training program on HR Leadership and HR Payroll Module</li> <li>• Training program on Good Document Practice</li> <li>• Training program on Fire Fighting &amp; Basic Safety Training</li> <li>• Training program on Communication, Team Building, Leadership and Time Management</li> <li>• POSH at workplace</li> </ul>	100%
Workers	39	<ul style="list-style-type: none"> <li>• Training program on Workplace Safety</li> <li>• Training program on Safety, Material Handling Etc.</li> <li>• Training program On Safe Loading, Unloading, Material Handling. Packaging Etc</li> <li>• Training program On Plant Operations, Activities, SOP's, Safety Operations Etc.</li> <li>• Training program on Good Manufacturing Practices</li> <li>• Training program on Importance of PPE's at Workplace</li> </ul>	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/

judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

<b>MONETARY</b>					
	<b>NGRBC Principle</b>	<b>Name of the regulatory/ enforcement agencies/judicial institutions</b>	<b>Amount (In INR)</b>	<b>Brief of the case</b>	<b>Has an appeal been preferred (Yes/No)</b>
Penalty/fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

<b>NON-MONETARY</b>				
	<b>NGRBC Principle</b>	<b>Name of the regulatory/ enforcement agencies/judicial institutions</b>	<b>Brief of the case</b>	<b>Has an appeal been preferred (Yes/No)</b>
Imprisonment	-	-	-	-
Punishment	-	-	-	-

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

<b>Case details</b>	<b>Name of the regulatory, judicial institutions</b>
NA	NA

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

Yes, the Company does have an anti-corruption and anti-bribery policy in place.

The main objective of the policy is to promote transparency, integrity, and ethical conduct within the organization and society at large. An effective anti-corruption and anti-bribery policy promotes a culture of integrity and helps mitigate the risks associated with corruption, ensuring that organizations and societies operate in a transparent and accountable manner.

The Company's anti-corruption and anti-bribery policy can be found at <https://cscpl.com/investors-relations/shareholder-information/disclosure-policies/>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	<b>FY 2023-24 (Current financial year)</b>	<b>FY 2022-23 (Previous financial year)</b>
DIRECTORS	-	-
KMPS	-	-
EMPLOYEES	-	-
WORKERS	-	-



6. Details of complaints with regard to conflict of interest.

	FY 2023-24 (Current financial year)		FY 2022-23 (Previous financial year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest: **Not Applicable**

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

	FY 2023-24 (Current financial year)	FY 2022-23 (Previous financial year)
Number of days of accounts payables	20	32

9. Open-ness of business

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

Parameter	Metrics	FY 2023-24 (Current financial year)	FY 2022-23 (Previous financial year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	15.50%	22.35%
	b. Number of trading houses where purchases are made from	25	31
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	97.26%	94.00%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	35.23%	45.27%
	b. Number of dealers / distributors to whom sales are made	45	43
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	87.47%	81.66%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.06%	0.73%
	b. Sales (Sales to related parties / Total Sales)	0.78%	0.70%
	c. Loans & advances (Loans & advances given to related parties / Total loans &	-	-

	advances)		
	d. Investments (Investments in related parties / Total Investments made)	-	-

**PRINCIPLE 2**

**Businesses should provide goods and services in a manner that is sustainable and safe.**

❖ **ESSENTIAL INDICATORS:**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	<b>FY 2023-24 (Current financial year)</b>	<b>FY 2022-23 (Previous financial year)</b>	<b>Details of improvements in environmental and social impacts</b>
R&D	0.00 %	0.00 %	-
CAPEX	0.00 %	4.54 %	Installation of Renewable power capacity through Solar Park

- 2.

a.	Does the entity have procedures in place for sustainable sourcing? (Yes/No):	Yes
b.	If yes, what percentage of inputs were sourced sustainably?	51% of the inputs were sourced Sustainably.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for -

a.	Plastics (including packaging)	The packing drums and other plastic waste are disposed through authorized recycler.
b.	E-waste	The Company's manufacturing process creates minimal e-waste which disposed through authorized recycler.
c.	Hazardous waste	Solid Hazardous Chemical Waste are disposed through approved land filling and incineration. Liquid Hazardous Chemical Waste are captively consumed and are processed to convert the same into different new products.
d.	other waste	Flyash is waste residual of Boiler which is used as a raw material for Brick manufacturing.

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

Extended Producer Responsibility (EPR) is not applicable to the Company.

### PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains:

❖ **ESSENTIAL INDICATORS:**

1. a. Details of measures for the well-being of employees:

Category	% of Employees Covered By										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
Male	217	124	57.14%	124	57.14%	-	-	-	-	-	-
Female	3	-	-	-	-	3	100%	-	-	-	-
Total	220	124	56.36%	124	56.36%	3	1.36%	-	-	-	-
<b>Other than Permanent Employees</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

b. Details of measures for the well-being of workers:

Category	% of Workers Covered By										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
<b>Other than Permanent Workers</b>											
Male	150	150	100%	150	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	150	150	100%	150	100%	-	-	-	-	-	-

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format -

	<b>FY 2023-24 (Current financial year)</b>	<b>FY 2022-23 (Previous financial year)</b>
Cost incurred on wellbeing measures as a % of total revenue of the company	0.15%	0.24%

2. Details of retirement benefits for the Current FY and Previous FY

Benefits	FY 2023-24 (Current financial year)			FY 2022-23 (Previous financial year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	57.14%	100%	Y	54.23%	100%	Y
Others	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.	Yes
---	-----

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

The Company does have a policy on Equal Employment Opportunity in accordance with the provisions of the Rights of Persons with Disabilities Act, 2016, read with the Rights of Persons with Disabilities Rules, 2017. The weblink to the policy is <https://cscpl.com/investors-relations/shareholder-information/disclosure-policies/>.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	-	-	-	-
<b>Total</b>	-	-	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)	
Permanent workers	Yes	The Company has in place a three tier Grievance Redressal Mechanism for the workers. The workers being at manufacturing plant shall report their grievance to plant supervisor. The Plant supervisor shall communicate the grievance to the Plant Manager who shall redress the grievance. The grievance raised by the worker, its resolution and feedback from the worker shall be reported to HR Manager.
Other than permanent workers	Yes	

Permanent employees	Yes	The employee shall raise the Grievance to the respective Head of Department through mail. The grievances are further communicated to the reporting authority of the Head of Departments who shall redress the grievance. In some cases where the grievance is not redressed then the same is communicated to the Board of Directors for redressal.
Other than permanent employees	Yes	

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24 (Current financial year)			FY 2022-23 (Previous financial year)		
	Total employees/ workers in the respective category (A)	No. of employees/ workers in the respective categories, who are part of association(s) or union (B)	% (B/A)	Total employees/ workers in the respective category (C)	No. of employees/ workers in the respective categories, who are part of association(s) or union (D)	% (D/C)
<b>Total Permanent Employees</b>						
Male	217	-	-	201	-	-
Female	3	-	-	3	-	-
<b>Total Permanent Workers</b>						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 2023-24 (Current financial year)					FY 2022-23 (Previous financial year)				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees (Permanent + Direct Consultants)</b>										
Male	217	217	100%	217	100%	201	201	100%	201	100%
Female	3	3	100%	3	100%	3	3	100%	3	100%
<b>Total</b>	<b>220</b>	<b>220</b>	<b>100%</b>	<b>220</b>	<b>100%</b>	<b>204</b>	<b>204</b>	<b>100%</b>	<b>204</b>	<b>100%</b>
<b>Workers</b>										
Male	150	150	100%	150	100%	152	152	100%	152	100%
Female	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>150</b>	<b>150</b>	<b>100%</b>	<b>150</b>	<b>100%</b>	<b>152</b>	<b>152</b>	<b>100%</b>	<b>152</b>	<b>100%</b>

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24 (Current financial year)			FY 2022-23 (Previous financial year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	217	217	100%	201	201	100%
Female	3	3	100%	3	3	100%
Total	220	220	100%	204	204	100%
<b>Workers</b>						
Male	150	-	-	152	-	-
Female	-	-	-	-	-	-
Total	150	-	-	152	-	-

10. Health and safety management system:

a.	Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?	<p>Yes.</p> <p>All the Plants and offices of the Company are covered under the health and safety management system. The Company has established an Occupational Health Centre at its plants. A certified Doctor visits the plants periodically for health-related checks. Moreover, the Company has engaged a well-known hospital within reach of the plant to address any severe health related issue of the employees and workers.</p> <p>The manufacturing plants are equipped with smoke detectors, sprinklers, fire extinguisher, fire hydrant system, gas detector, safety showers, mobile foam monitors, Personal Protection equipment (PPE) for ensuring the safety of the workers and employees.</p>
b.	What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	The Company has different procedures to identify work-related hazards and assess risk on a routine and non-routine basis i.e. Job Safety Analysis (JSA), Hazard and Operability Study (HAZOP), Hazard Identification and Risk Assessment (HIRA) and Process Safety Hazard.
c.	Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)	<p>Yes.</p> <p>The Company has in place an on-site emergency plan. The Plants are equipped with Occupational Health Centre (OHC) where first aid treatment is readily available, and any hazard may be reported through Accident Form.</p> <p>The Company has dedicated Assembly Points at the plants where the workers can assemble in the event of accident. The manufacturing plants has an Emergency Control Centre, Crisis Resolution team and round the clock dedicated safety team for addressing emergency.</p>
d.	Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes, all eligible employees are covered under the ESI scheme. The Company also organizes annual medical and health check-ups at its plants.

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

Safety Incident/Number	Category	FY 2023-24 (Current financial year)	FY 2022-23 (Previous financial year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

\*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace:

The Company takes various measures to ensure a safe and healthy workplace such as:

- HIRA i.e. Hazard identification and Risk Assessment and Management is being done in accordance with Hazard Identification and Risk Assessment (HIRA) Procedure.
- Job Safety Analysis (JSA) Procedure is being followed for non-routine jobs.
- HAZOP i.e. Hazard and operability studies are being done to ensure adequate controls are in place to prevent process-related events.
- Workplace monitoring and detection systems are in place to detect health hazards such as smoke detectors, sprinklers, fire extinguishers, fire hydrant system, gas detector, safety showers and mobile foam monitors.
- The workers are provided with PPE Kits for ensuring safety.

13. Number of complaints on the following made by employees and workers:

	FY 2023-24 (Current financial year)			FY 2022-23 (Previous financial year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working conditions	-	-	-	-	-	-
Health & safety	-	-	-	-	-	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions. - Nil

**PRINCIPLE 4**

**Businesses should respect the interests of and be responsive to all its stakeholders.**

❖ **ESSENTIAL INDICATORS:**

1. Describe the processes for identifying key stakeholder groups of the entity.

At Chemcon, stakeholder identification is an ongoing process. As the Company progresses and evolves, new stakeholders may emerge, and existing stakeholders' roles may change. Regularly reviewing and updating stakeholders ensures effective relationship management and address their concerns. The relevant stakeholder identification exercise has been carried out by senior management in consultation with board members and different departments. The identified stakeholder includes both internal and external stakeholders relevant to the organisation. The key stakeholder for the organisation includes employees and workers, Investors and shareholders, Government and regulators, Suppliers, Customers, Bank and financial institution and the community.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

<b>Stakeholder Group</b>	<b>Whether identified as Vulnerable &amp; Marginalised Group (Yes/No)</b>	<b>Channels of Communication</b>	<b>Frequency of engagement (annually/ half yearly/ quarterly/other - please Specify)</b>	<b>Purpose and Scope of engagement, including key topics and concerns raised during such engagement</b>
Employees and workers	No	- E-mail - Notice Board - Employee Meets	Annually	<ul style="list-style-type: none"> <li>• Training and development</li> <li>• Health and safety</li> <li>• Performance evaluation and recognition</li> </ul>
Investors and shareholders	No	- E-mail - Newspapers - Website - Investor Presentations	Quarterly	<ul style="list-style-type: none"> <li>• Corporate Governance</li> <li>• Regulatory Compliances</li> <li>• Company Performance</li> </ul>
Government and regulators	No	- Mandatory regulatory filings	Ongoing	<ul style="list-style-type: none"> <li>• Compliance with rules and regulations</li> <li>• Timely reporting through various compliance-based forms</li> </ul>
Suppliers	No	- E-mail - Telephone - Supplier Meets	Ongoing	<ul style="list-style-type: none"> <li>• Fair and ethical procurement &amp; engagement practices</li> <li>• Pricing and favourable terms of payment</li> </ul>
Customers	No	- Pamphlets - Website - Product packaging	Need Based	<ul style="list-style-type: none"> <li>• Consistent quality at competitive prices</li> <li>• Timely deliveries</li> </ul>



Bank and financial institution	No	- E-mail - In-person meets	Need Based	<ul style="list-style-type: none"> <li>Access financial resources.</li> <li>financial services and investments</li> </ul>
Community	No	- Newspapers - Website	Need Based	Community development programmes through CSR initiatives

## PRINCIPLE 5

### Businesses should respect and promote human rights.

#### ❖ **ESSENTIAL INDICATORS:**

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24 (Current financial year)			FY 2022-23 (Previous financial year)		
	Total (A)	No. of Employees / Workers covered (B)	% (B/A)	Total (C)	No. Employees / Workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent Employees	220	220	100%	204	204	100%
Other than Permanent Employees	-	-	-	-	-	-
<b>Total Employees</b>	<b>220</b>	<b>220</b>	<b>100%</b>	<b>204</b>	<b>204</b>	<b>100%</b>
<b>Workers</b>						
Permanent Workers	-	-	-	-	-	-
Other than Permanent Workers	150	150	100%	152	152	100%
<b>Total Workers</b>	<b>150</b>	<b>150</b>	<b>100%</b>	<b>152</b>	<b>152</b>	<b>100%</b>

- Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24 (Current financial year)					FY 2022-23 (Previous financial year)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent Employees										
Male	217	-	-	217	100%	201	-	-	201	100%
Female	3	-	-	3	100%	3	-	-	3	100%
Other than Permanent Employees										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Permanent Workers										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent Workers										
Male	150	150	100%	-	-	152	152	100%	-	-
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of the respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BoD)	*5	39,90,000	-	-
Key Managerial Personnel	1	7,00,000	-	-
Employees other than BoD and KMP	217	2,74,022	3	3,78,169
Workers	150	1,58,808	-	-

\*BoD includes Managing Director and Whole-time Directors and excludes Independent Directors.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24 (Current financial year)	FY 2022-23 (Previous financial year)
Gross wages paid to females as % of total wages	1.36%	1.04%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No): **Yes**

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Employees and Workers who believe their human rights have been violated can submit a formal complaint to the HR Manager. The complaint can be submitted either by e-mail or in writing at the HR Office. The complaints are handled with strict confidentiality to protect complainants from retaliation or harm. Upon receiving a complaint, an impartial and independent investigation will be initiated. This investigation aims to gather evidence, interview relevant parties, and assess the veracity of the complaint. Throughout the process, the complainant will be kept informed about the progress of the investigation and any developments. If a human rights violation is confirmed, appropriate remedy will be provided to the complainant whether legal or otherwise and the responsible party(ies) will be held accountable through legal and administrative actions.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24 (Current financial year)			FY 2022-23 (Previous financial year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-

Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	<b>FY 2023-24 (Current financial year)</b>	<b>FY 2022-23 (Previous financial year)</b>
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Preventing adverse consequences to complainants in discrimination and harassment cases is crucial to ensure their safety, well-being, and willingness to come forward with their complaints. The Company's POSH as well as whistleblower policy discloses about the protection of complainant that s/he should not be under any risk of retaliation or adverse consequence due to their disclosure. During the investigation process, the complainant's identity shall be kept confidential as much as possible and shall be provided with strong legal protections. These protections shield them from any form of retaliation, including threats to their job, reputation, or personal safety. The Company also provides a facility to submit the complaint anonymously. If required, the Company shall also provide legal assistance and counselling services to complainants, helping them understand their rights, the process, and provide emotional support. The Company shall prioritize timely resolution of discrimination and harassment cases to minimize the duration of stress on complainants.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No): **Yes**

10. Assessments for the year:

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child Labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – Please specify	-

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above - **Not Applicable**

## PRINCIPLE 6

**Businesses should respect and make efforts to protect and restore the environment.**

### ❖ **ESSENTIAL INDICATORS:**

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24 (Current financial year)	FY 2022-23 (Previous financial year)
<b>From renewable sources</b>		
Total electricity consumption (A)	76896 MJ	5783825 MJ
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	104924293 MJ	107277952 MJ
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>105001189 MJ</b>	<b>113061777 MJ</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	23607684 MJ	13984142 MJ
Total fuel consumption (E)	1611200 MJ	1390686 MJ
Energy consumption through other sources (F)	44313091 MJ	26142379 MJ
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>69531975 MJ</b>	<b>41517207 MJ</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>174533164 MJ</b>	<b>154578984 MJ</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumption/ Revenue from operations)	0.07	0.05
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	1.46	1.13
<b>Energy intensity in terms of physical output</b>	14387.37	14,084.65
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - **No**

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. - **No**

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (Current financial year)	FY 2022-23 (Previous financial year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-

(ii) Groundwater	104329 KL	68538 KL
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	104329 KL	68538 KL
<b>Total volume of water consumption (in kilolitres)</b>	104329 KL	68538 KL
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations)	0.00004	0.00002
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	0.00087	0.00050
<b>Water intensity in terms of physical output</b>	8.60	6.24
<b>Water intensity (optional)</b> – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - **No**

4. Provide the following details related to water discharged: **Nil, Zero Discharge Unit**

Parameter	FY 2023-24 (Current financial year)	FY 2022-23 (Previous financial year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - **No**

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the Company has implemented zero liquid discharge mechanism at all its plant. The Company has installed Multiple Effective Evaporator (MEE) for reuse of treated Liquid Discharge.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	2023-24 (Current financial year)	2022-23 (Previous financial year)
NOx	Microgrammes / m <sup>3</sup>	23.55	20.77
SOx	Microgrammes / m <sup>3</sup>	19.52	17.44
Particulate matter (PM)	Microgrammes / m <sup>3</sup>	70.97	77.33
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

**Yes**, the assessment is carried out by certificated pollution mitigator consultants, Aryan Ecogreens Private Limited.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current financial year)	FY 2022-23 (Previous financial year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	Not Available	Not Available
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	Not Available	Not Available
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	-	-	-
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	-	-	-

<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	-	-	-
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b> – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - **No**

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. - **No**

9. Provide details related to waste management by the entity, in the following format:

<b>Parameter</b>	<b>FY 2023-24 (Current financial year)</b>	<b>FY 2022-23 (Previous financial year)</b>
<b>Total waste generated (in metric tonnes)</b>		
Plastic waste <b>(A)</b>	-	-
E-waste <b>(B)</b>	-	-
Bio-medical waste <b>(C)</b>	0.0024 MT	0.0038 MT
Construction and demolition waste <b>(D)</b>	-	-
Battery waste <b>(E)</b>	-	-
Radioactive waste <b>(F)</b>	-	-
Other Hazardous waste. Please specify, if any. <b>(G)</b>	15229.20 MT	14128.30 MT
Other Non-hazardous waste generated <b>(H)</b> Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
<b>Total (A+B + C + D + E + F + G + H)</b>	15229.20 MT	14128.30 MT
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	0.00001	0.00000
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	0.00013	0.00010
<b>Waste intensity in terms of physical output</b>	1.26	1.29
<b>Waste intensity (optional)</b> – the relevant metric may be selected by the entity	-	-

**For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)**

<b>Category of waste</b>		
(i) Recycled	303.18 MT	779.91 MT
(ii) Re-used	12514.49 MT	11558.81 MT
(iii) Other recovery operations	-	-
<b>Total</b>	12817.67 MT	12338.72 MT

**For each category of waste generated, total waste disposed by nature of disposal method.  
(in metric tonnes)**

Category of waste		
(i) Incineration	125.71 MT	77.2438 MT
(ii) Landfilling	2213.99 MT	1712.34 MT
(iii) Other disposal operations	-	-
<b>Total</b>	<b>2339.70 MT</b>	<b>1789.58 MT</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - **No**

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company integrates a waste management plan for hazardous and non-hazardous waste with a comprehensive approach towards waste minimisation, segregation, and safe disposal. Waste generated during the production operations is disposed/recycled in compliance with the applicable environmental laws. The generated waste by the company is transported to an authorized facility specialized in hazardous waste management and disposed off through the authorized TSDF/CHWIF via online tracking system of GPCB manifest only. To reduce the total waste, the company utilized Multiple Effect Evaporation (MEE) processes, additionally the company maintained Zero Liquid Discharge (ZLD) System.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N). If no, the reasons thereof and corrective action taken, if any.
-	-	-	-

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Proposed expansion project for manufacturing of Synthetic Organic Chemical	SIA/GJ/IND3/234042/2021	08.12.2021	Yes	Yes	<a href="https://environmentclearance.nic.in/TrackState_proposal.aspx?type=EC&amp;status=EC_new&amp;statername=Gujarat&amp;pno=SIA/GJ/IND3/234042/2021&amp;pid=192193">https://environmentclearance.nic.in/TrackState_proposal.aspx?type=EC&amp;status=EC_new&amp;statername=Gujarat&amp;pno=SIA/GJ/IND3/234042/2021&amp;pid=192193</a>



13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: **Yes**.

Sr. No.	Specify the law / regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
-	-	-	-	-

## PRINCIPLE 7

**Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

### ❖ **ESSENTIAL INDICATORS:**

1. a. Number of affiliations with trade and industry chambers/ associations.

The Company is a member of two industrial chambers / associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Chemexil	National
2.	Federation of Gujarat Industries	State

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
-	-	-

## PRINCIPLE 8

**Businesses should promote inclusive growth and equitable development.**

### ❖ **ESSENTIAL INDICATORS:**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of the project	SIA notification no.	Date of notification	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes / No)	Relevant weblink
-	-	-	-	-	-

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity in the following format:

Sr. no	Name of the project for which R&R is ongoing	State	District	No. of project affected. families (PAFs)	% PAFs covered	Amounts paid to PAFs
-	-	-	-	-	-	-

3. Describe the mechanisms to receive and redress grievances of the community.

Creating effective mechanism to receive and redress grievances of the community is crucial for maintaining harmony, addressing concerns, and ensuring a sense of justice among community members. Chemcon has establish various communication channels such as email, contact numbers, online forms and social media platforms where community members can voice their grievances. The Company also allows community members to submit grievances anonymously if they are uncomfortable to reveal their identity in order to encourage more people to come forward with their concerns. After grievances have been addressed, feedback shall be taken from the individuals involved to ensure that the resolutions were effective and satisfactory.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24 (Current financial year)	FY 2022-23 (Previous financial year)
Directly sourced from MSMEs/ small producers	0.19%	0.16 %
Sourced directly from within the district and neighbouring districts	71.52%	54.24 %

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24 (Current financial year)	FY 2022-23 (Previous financial year)
Rural	83.14%	82.99%
Semi-urban	-	-
Urban	-	-
Metropolitan	16.86%	17.01%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

## PRINCIPLE 9

**Businesses should engage with and provide value to their consumers in a responsible manner.**

### ❖ **ESSENTIAL INDICATORS:**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Creating effective mechanisms to receive and respond to consumer complaints and feedback is crucial for maintaining customer satisfaction, improving products and services, and building a positive brand reputation. Chemcon has a phone line that customers can call to report complaints

or provide feedback. The Company has also provided an email address and online form on its website where customers can submit their complaints and feedback. The Company monitors the social media platforms for mentions of the brand, products, or services and responds to complaints and feedback posted on these platforms promptly and professionally. We believe that the key to successful complaint and feedback management is responsiveness, empathy, and a genuine commitment to improving customer experiences. Regularly analyzing the feedback received and making meaningful changes based on it will build stronger customer relationships and enhance the business's reputation.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a Percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Usage recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	FY 2023-24 (Current financial year)			FY 2022-23 (Previous financial year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive trade practices	-	-	-	-	-	-
Unfair trade practices	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy. - **No**
6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services. - **Not Applicable**
7. Provide the following information relating to data breaches:

a.	Number of instances of data breaches	-
b.	Percentage of data breaches involving personally identifiable information of customers	-
c.	Impact, if any, of the data breaches	-

**Annexure - V**

**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

**(Pursuant to Regulation 34(3) and Schedule V Para E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members,  
**Chemcon Speciality Chemicals Limited**  
Block No. 355, Manjusar Kunpad Road,  
Manjusar Village, Taluka Savli,  
Vadodara - 391775, Gujarat

I, Chirag Vinodbhai Rathod, Proprietor, Rathod & Co., Practicing Company Secretary, have examined the compliance of conditions of Corporate Governance by Chemcon Speciality Chemicals Limited ('the Company') for the financial year ended on March 31, 2024, as stipulated in Chapter IV and referred in Regulation 15 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes design, implementation and maintenance of internal control and procedures to ensure the compliances with the conditions of the Corporate Governance stipulated in SEBI (LODR) Regulations, 2015. My responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the 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 and based on our examination of the relevant records and according to the information and explanations provided to us and the presentations 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) and (t) of regulation 46(2) and Para C, D and E of Schedule V of the SEBI (LODR) Regulations, 2015 during the financial year ended March 31, 2024 except the below:

"During the financial year 2023-24, two Independent Directors of the Company resigned from the Board of Directors on May 13, 2023, and June 26, 2023, and the Company appointed two Independent Directors in place of the Independent Directors who resigned from the board of directors after the period of three months from the date of vacancy, this resulted in non-compliance with Regulation 17(1), Regulation 17(1E) and Regulation 25(6) of the SEBI (LODR) Regulations, 2015."

**For Rathod & Co.**  
Practicing Company Secretaries

**Chirag Vinodbhai Rathod**  
Membership No.: 54460  
CP. No.: 20186  
Peer Review Certificate No.: 1762/2022

Place: Anand  
Date: August 12, 2024  
UDIN: A054460F000951004

## Annexure - VI

**Disclosures of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under section 134(3) of the companies act, 2013 read with rule 8(3) of the companies (accounts) rules, 2014 is as under:**

### A. CONSERVATION OF ENERGY:

The Company is continuously making efforts to improve Energy Management by way of monitoring energy related parameters on a regular basis. The Company is committed to transforming energy conservation into a strategic business goal along with the technological sustainable development of Energy Management Systems. It is making its best endeavors to reduce energy consumption in all its operations and activities.

- i. To achieve the above objectives the following steps are being undertaken by the Company:
  - a. Continuous monitoring the energy parameters such as maximum demand, power factor, load factor, TOD tariff utilization, etc. on regular basis.
  - b. Increasing the awareness of energy saving within the organization to avoid wastage of energy.
  - c. We have installed LEDs across all our plants.
  - d. Installing energy efficient equipment's to ensure optimum utilisation of energy.
  - e. Regular check of air leakage and arresting.
- ii. Steps taken by the Company for utilising alternate sources of energy:
  - a. The Company has installed a solar power plant of 2.1 MW (DC) for conversion of renewable energy from sunlight into electricity. The Company has generated 21,360 KWH Units power from the same during the financial year 2023-24.
  - b. Biomass is mixed with coal in boilers to maximize the sustainable fuel mix.
- iii. Capital investment in energy conservation equipment: The Company has made investment in solar power plant of 2.1 MW (DC).

### B. TECHNOLOGY ABSORPTION:

1.	Efforts in brief made towards technology absorption, adoption and innovation.	The Company upgraded many of its processes and operations by embracing new technology, using more efficient equipment and automation.
2.	Benefits derived as a result of the above efforts. e.g. product improvement, cost reduction, development, import substitution etc.	The above efforts have resulted in improvement in quality, increase in yield, and increase in output and decrease in manpower.
3.	In case of imported technology (imported during the last 3 years reckoned from the beginning of financial year)	The Company did not import any technology.
4.	The expenditure incurred on Research and Development	FY 2023-2024 (Rs. In Lakhs)
(a)	Capital	0.00
(b)	Recurring	14.48
(c)	Total	14.48

(d)	Total R&D expenditure as a percentage of total sales.	0.05%
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**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

<b>Total foreign exchange earnings and outgo</b>		<b>FY 2023-2024 (Rs. In lakhs)</b>
i.	Total foreign exchange outgo in terms of actual outflows	10,379.65
ii.	Total foreign exchange earned in terms of actual inflows	6,484.45

For and on behalf of the Board  
**Chemcon Speciality Chemicals Limited**

Place: Vadodara  
Date: August 22, 2024

**Kamalkumar Rajendra Aggarwal**  
Chairman & Managing Director  
DIN: 00139199

**Corporate Governance Framework**

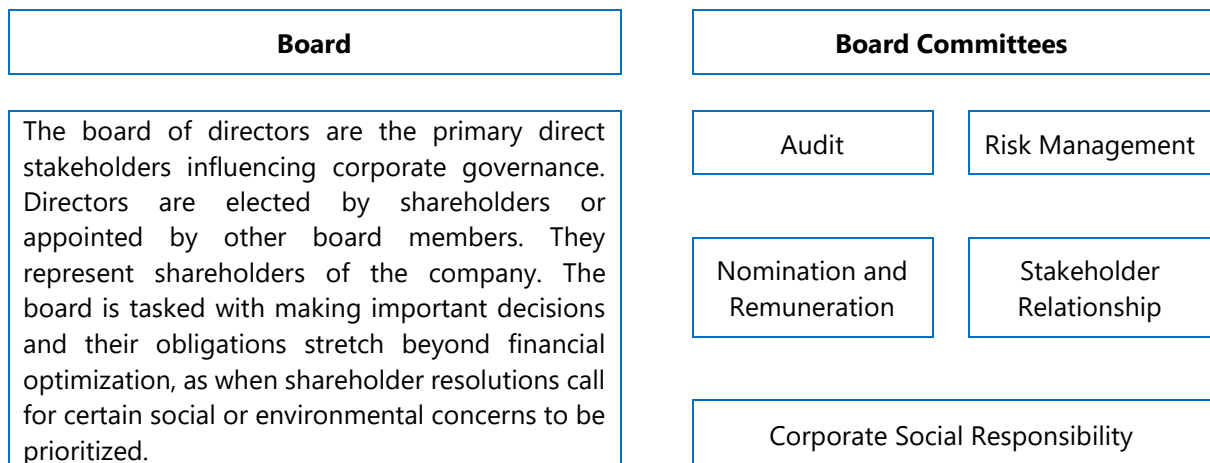
# FAIRNESS, TRANSPARENCY, RESPONSIBILITY, ACCOUNTABILITY

Corporate governance essentially involves balancing the interests of a company's many stakeholders, such as shareholders, senior management executives, customers, suppliers, financiers, the government, and the community.

Since corporate governance provides the framework for attaining a company's objectives, it encompasses practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosure.

**Core Principles of Corporate Governance**  
Accountability, Transparency, Integrity, Social Responsibility, Environment and Regulatory Compliances

**Corporate Governance and the Board of Directors**



**Characteristics of Good Corporate Governance**



# Corporate Governance Report

## For the financial year ended March 31, 2024

The Board presents the Report on Corporate Governance of the Company for the financial year ended March 31, 2024, pursuant to Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015").

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Chemcon's philosophy on the code of governance centres on promoting responsible business practices that prioritize the well-being of customers, stakeholders, and the environment. We believe that effective governance requires transparency, accountability, integrity and assurance in all aspects of the business. To achieve this, the company's code of governance establishes clear policies and procedures for ensuring compliance with regulatory requirements and industry standards, as well as providing guidance for ethical behaviour and decision-making.

Defining the roles and responsibilities of the Board of Directors



By defining the roles and responsibilities of the Board of Directors, Chemcon ensures effective oversight of strategic planning, risk management, financial reporting, and executive compensation.

Promoting diversity and inclusion



By promoting diversity and inclusion, Chemcon fosters an inclusive and equitable workplace that values the unique perspectives of all employees.

Engaging with stakeholders



By engaging with stakeholders, Chemcon seeks to understand and incorporate feedback to ensure that its business practices align with stakeholder expectations.

Robust risk management program



Through a robust risk management program, Chemcon identifies potential risks and develops strategies to mitigate them.

Responsible and sustainable business practices



By committing to responsible and sustainable business practices, Chemcon minimizes negative impacts on the environment and society, and actively contributes to positive social and environmental outcomes.

### 2. BOARD OF DIRECTORS:

The Board of Directors ("the Board") of Chemcon Speciality Chemicals Limited, have a fiduciary responsibility to ensure that the Company's actions and objectives are aligned to sustainable growth and long-term value creation. The Company recognises and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage.

The Members of the Board of Directors of the Company are eminent personalities from various fields who bring in a wide range of skills and experience to the Board and they are entrusted with



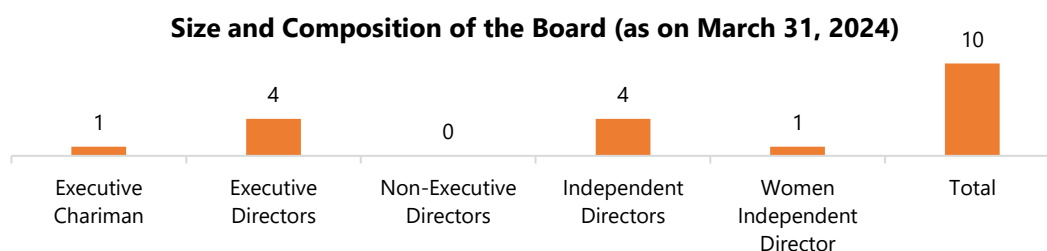
the ultimate responsibility of the management, general affairs, direction and performance of the Company. The Company has an engaged and well-informed Board with qualifications and experience in diverse areas.

### (i) Composition and Category of Directors

The Board of Directors of the Company comprises an optimum combination of Executive and Non-Executive Directors including an Independent Woman Director. The Board of Directors as on financial year ended on March 31, 2024, comprised of Ten (10) Directors, out of which five (5) were Executive Directors and Five (5) Independent Directors including one (1) Independent Woman Director. The Chairman of the Company is an Executive Director.

As on March 31, 2024, the Board composition is in conformity with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI (LODR) Regulations, 2015") and the Companies Act, 2013 ("the Act") and the members on the Board are classified and categorized as under:

Sr. No.	Category	Name of Director
i.	Promoter and Executive Directors	Kamalkumar Rajendra Aggarwal <i>Chairman &amp; Managing Director</i>  Navdeep Naresh Goyal <i>Deputy Managing Director (Appointed as Whole-time Director with effect from August 03, 2024)</i>
ii.	Other Executive Directors	Rajesh Chimanlal Gandhi <i>Whole-time Director and Chief Financial Officer</i>  Himanshu Prafulchandra Purohit <i>Whole-time Director</i>  Rajveer Kamal Aggarwal <i>Whole-time Director (resigned as a Whole-time Director but continuing as a Non-executive Director (non-Independent) with effect from August 03, 2024)</i>
iii.	Non-Executive Independent Directors and	Neelu Atulkumar Shah Lalit Devidutt Chaudhary Pankaj Amritlal Shah Bharat Chunilal Shah Lalit Ramniklal Mehta



The details of Directors on the Board, category of directorships, other Directorships, Committee Memberships and Chairpersonships during the year ended March 31, 2024, are given below:

Name of Director	Category of Directorship	Number of other Directorships and Committee Memberships / Chairpersonships			Directorships & category in other listed companies
		Other Directorships	Committee Memberships	Committee Chairpersonships	
Mr. Kamalkumar Rajendra Aggarwal	Chairman & Managing Director	1	1	-	-
Mr. Navdeep Naresh Goyal	Deputy Managing Director	-	-	-	-
Mr. Rajesh Chimanlal Gandhi	Whole-time Director and Chief Financial Officer	1	1	-	-
Mr. Himanshu Prafulchandra Purohit	Whole-time Director	-	-	-	-
Mr. Rajveer Kamal Aggarwal	Whole-time Director	1	-	-	-
Ms. Neelu Atulkumar Shah	Independent Director	-	1	-	-
Mr. Lalit Devidutt Chaudhary	Independent Director	-	1	-	-
Mr. Pankaj Amritlal Shah	Independent Director	-	1	-	-
Mr. Bharat Chunilal Shah	Independent Director	-	2	2	-
Mr. Lalit Ramniklal Mehta	Independent Director	-	-	-	-

**Note:**

- The number of other Directorships excludes directorship in Chemcon Speciality Chemicals Limited, Directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.
- For Committee memberships and chairpersonships of a director, only memberships of Audit Committee and Stakeholders Relationship Committee are considered including membership/chairpersonships in Chemcon Speciality Chemicals Limited.
- The number of committee memberships includes the number of chairpersonships, as a chairperson is deemed to be a member.

The number of shares and convertible instruments held by directors and disclosure of relationships between directors inter-se at the year ended March 31, 2024, are given below:

Name of Director	Number of Shares held in the Company	number of convertible instruments held in the Company	relationships between directors inter-se
Mr. Kamalkumar Rajendra Aggarwal	*1,01,87,080	-	Father of Mr. Rajveer Kamal Aggarwal, Non-executive Director of the Company.
Mr. Navdeep Naresh Goyal	**86,08,166	-	-
Mr. Rajesh Chimanlal Gandhi	-	-	-
Mr. Himanshu Prafulchandra Purohit	-	-	-
Mr. Rajveer Kamal Aggarwal	25,32,800	-	Son of Mr. Kamalkumar Rajendra Aggarwal, Promoter, Chairman & Managing Director of the Company.
Ms. Neelu Atulkumar Shah	-	-	-
Mr. Lalit Devidutt Chaudhary	-	-	-
Mr. Pankaj Amritlal Shah	-	-	-
Mr. Bharat Chunilal Shah	-	-	-
Mr. Lalit Ramniklal Mehta	-	-	-

- a. \*Includes 5,10,000 Equity Shares which are jointly held by Mr. Kamalkumar Rajendra Aggarwal, first holder and Mr. Rajveer Aggarwal, Second holder.
- b. \*\*Includes 62,33,500 Equity Shares which are jointly held by Navdeep Naresh Goyal, first holder and Shubharangana Goyal, Second holder.

## (ii) Board Meetings:

During the Financial Year 2023-24, Six (6) Board Meetings were held on May 26, 2023, August 11, 2023, August 31, 2023, November 08, 2023, December 16, 2023 and February 10, 2024. The maximum gap between any two Board Meetings was not more than 120 days as required under Regulation 17 of SEBI (LODR) Regulations, 2015, Section 173 of the Companies Act, 2013 and Secretarial Standard on Meeting of the Board of Directors.

The details of attendance of Directors at the Board Meetings held during the Financial Year 2023-24 and at the previous Annual General Meeting (34<sup>th</sup> AGM of the Company), is as under:

Name of the Director	No. of Board Meeting which the Director was entitled to attend	No. of Board Meetings Attended	Attendance at Last AGM
Mr. Kamalkumar Rajendra Aggarwal	6	6	Yes
Mr. Navdeep Naresh Goyal	6	5	Yes
Mr. Rajesh Chimanlal Gandhi	6	6	Yes
Mr. Himanshu Prafulchandra Purohit	6	5	Yes
Mr. Rajveer Kamal Aggarwal	6	5	Yes

Name of the Director	No. of Board Meeting which the Director was entitled to attend	No. of Board Meetings Attended	Attendance at Last AGM
Ms. Neelu Atulkumar Shah	6	6	No
Mr. Lalit Devidutt Chaudhary	6	1	No
Mr. Pankaj Amritlal Shah	1	1	NA
Mr. Bharat Chunilal Shah	6	4	Yes
Mr. Lalit Ramniklal Mehta	1	1	NA
Mr. Pradeep Vishambhar Agrawal	1	0	NA

**(iii) Board Procedure:**

The Board meets at regular intervals to discuss and decide on the Company/business policy and strategy apart from other Board business. The Board Meetings (including Committee Meetings) of the Company are scheduled in advance to facilitate the Directors to plan their schedule and ensure meaningful participation in the meetings.

Department heads communicate with the Company Secretary in advance with regard to matters requiring the approval of the Board to enable inclusion of the same in the agenda for the Board Meetings. The detailed agenda as approved by the Chairman together with the relevant attachments are circulated amongst the Directors in advance. Where it is not practicable to circulate any document in advance or if the agenda is of a confidential nature, the same is tabled at the meeting. In special and exceptional circumstances, consideration of additional or supplementary items is taken up with the approval of chairman and majority of the Directors.

In addition to above, the Company places all the required information before the Board from time to time in compliance with Regulation 17(7) and Part A of Schedule II of SEBI (LODR) Regulations, 2015.

**(iv) Independent Directors:**

The Independent Directors of the Company have been appointed in terms of requirements of the Act and SEBI (LODR) Regulations, 2015. The selection of eminent people for appointment as Independent Directors on the Board is considered by the Nomination and Remuneration Committee. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of directorships and memberships held in various committees of other companies by such person and recommend the same to the Board. The Board considers the Committee's recommendation and takes appropriate decision.

Based on the disclosures received from the Independent Directors, the Board of Directors of the Company confirms that in the opinion of the Board, the Independent Directors fulfil the conditions specified in SEBI (LODR) Regulations, 2015 and are Independent of the management.

During the financial year 2023-24, Mr. Samir Chandrakant Patel (DIN: 00086774) resigned as an Independent Director of the Company with effect from May 13, 2023, due to personal reasons and other business commitments and Mr. Pradeep Vishambhar Agrawal (DIN: 00048699) resigned as an Independent Director of the Company with effect from June 26, 2023, because

of his inability to devote time for position as Independent Director in Chemcon Speciality Chemicals Limited due to many other engagements and occupations and not being able to attend the periodic Board meetings. Mr. Samir Chandrakant Patel and Mr. Pradeep Vishambhar Agrawal, in their resignation letters, have mentioned and confirmed that there are no other material reasons for their resignation other than those provided.

**(v) Performance Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board of Directors have carried out annual performance evaluation of the Board as a whole, Board Committees, Individual Directors and Independent Directors on the basis of criteria laid down in Performance Evaluation Policy of the Company.

The performance of Independent Directors, Non-executive Directors, Executive Directors, Whole-time Directors, Managing Directors and Chairperson was evaluated by all the members of the Nomination and Remuneration Committee (other than the member evaluating) on the basis of criteria laid down in Performance Evaluation Policy.

As required under Regulation 25 of SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held to evaluate the performance of the Chairperson, Non-Independent Directors and the Board as a whole and also to assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board.

The performance evaluation made by Nomination and Remuneration Committee and Independent Directors at their meeting was noted by the Board.

**(vi) Familiarization program for Independent Directors:**

The Company has formulated various programmes for familiarising the Independent Directors about the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, global business environment, business strategy and risks involved etc. The details of familiarisation programmes imparted to Independent Directors is available on the Company's website at <https://cscpl.com/investors-relations/familiarization-programme/>.

**(vii) Skills / Expertise / Competencies of the Board of Directors:**

The Board comprises distinguished, qualified and experienced members who bring in the requisite skills, expertise and competence that allows them to make a valuable contribution to the Board and its Committees. The details of core skills, expertise and competence identified by the Board of Directors required in the context of Company's Business and Sectors and Directors who have such skills, expertise and competence are as follows:

Sr No.	Nature of Skills / Expertise / Competencies	Mr. Kamalkumar Aggarwal	Mr. Navdeep Goyal	Mr. Rajesh Gandhi	Mr. Himanshu Purohit	Mr. Rajveer Aggarwal	Mr. Naresh Goyal
<b>1.</b>	<b>Industry Knowledge:</b>						
	Knowledge on Company's Businesses	✓	✓	✓	✓	✓	✓
	Policies and Culture (Including the Mission, Vision and Values of the Company)	✓	✓	✓	✓	✓	✓
	Major risks / threats and potential opportunities and knowledge of the industry in which the Company operates	✓	✓	✓	✓	✓	✓
<b>2.</b>	<b>Behavioral Competencies/ Personal Attributes:</b>						
	Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company	✓	✓	✓	✓	✓	✓
<b>3.</b>	<b>Strategic Expertise:</b>						
	Business Strategy	✓	✓	✓	✓	✓	✓
	Sales & Marketing	✓	✓	-	-	✓	✓
	Corporate Governance	✓	✓	✓	✓	✓	✓
	Forex Management	✓	✓	✓	-	✓	✓
	Administration	✓	✓	✓	✓	✓	✓
	Decision Making	✓	✓	✓	✓	✓	✓
<b>4.</b>	<b>Technical Skill:</b>						
	Financial and Management skills	✓	✓	✓	-	✓	✓
	Legal expertise	✓	✓	✓	✓	✓	✓
	Technical / Professional skills and specialized	✓	✓	✓	✓	✓	✓
<b>5.</b>	<b>Other Skills:</b>						
	Decision making skills	✓	✓	✓	✓	✓	✓
	Communication skills	✓	✓	✓	✓	✓	✓
	Leadership skills	✓	✓	✓	✓	✓	✓
	Stakeholder Relations	✓	✓	✓	-	✓	✓
	Risk Management Skills	✓	✓	✓	✓	✓	✓

Sr No.	Nature of Skills / Expertise / Competencies	Ms. Neelu Shah	Mr. Lalit Chaudhary	Mr. Pankaj Shah	Mr. Lalit Mehta	Mr. Bharat Shah	Mr. Ketan Shah
<b>1.</b>	<b>Industry Knowledge:</b>						
	Knowledge on Company's Businesses	✓	✓	✓	✓	✓	✓
	Policies and Culture (Including the Mission, Vision and Values of the Company)	✓	✓	✓	✓	✓	✓
	Major risks / threats and potential opportunities and knowledge of the industry in which the Company operates	✓	✓	✓	✓	✓	✓
<b>2.</b>	<b>Behavioral Competencies/ Personal Attributes:</b>						
	Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company	✓	✓	✓	✓	✓	✓
<b>3.</b>	<b>Strategic Expertise:</b>						
	Business Strategy	✓	✓	✓	✓	-	✓
	Sales & Marketing	✓	✓	✓	-	-	✓
	Corporate Governance	✓	✓	✓	✓	✓	✓
	Forex Management	-	-	-	✓	✓	✓
	Administration	✓	✓	✓	✓	✓	✓
	Decision Making	✓	✓	✓	✓	✓	✓
<b>4.</b>	<b>Technical Skill:</b>						
	Financial and Management skills	✓	✓	✓	✓	✓	✓
	Legal expertise	-	-	-	✓	✓	-
	Technical / Professional skills and specialized	✓	✓	✓	✓	✓	✓
<b>5.</b>	<b>Other Skills:</b>						
	Decision making skills	✓	✓	✓	✓	✓	✓
	Communication skills	✓	✓	✓	✓	✓	✓
	Leadership skills	✓	✓	✓	✓	✓	✓
	Stakeholder Relations	-	-	-	-	-	-
	Risk Management Skills	✓	✓	✓	✓	✓	✓

### 3. COMMITTEES OF BOARD OF DIRECTORS:

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities as mandated by applicable regulation which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The minutes of the meeting of all Committees are placed before the Board for review from time to time.

The Board has established the following Committees:

#### (A) Audit Committee:

##### (i) Composition of Audit Committee:

As of March 31, 2024, the Company's Audit Committee comprised of Mr. Bharat Chunilal Shah as the Chairperson and Ms. Neelu Atulkumar Shah, Mr. Pankaj Amritlal Shah and Mr. Kamalkumar Rajendra Aggarwal as members of the Committee.

During the financial year 2023-24, Mr. Samir Chandrakant Patel resigned from the position of independent director and as member of Audit Committee of the company with effect from May 13, 2023. Further, Mr. Pankaj Amritlal Shah was appointed as an Independent Director and as a member of the Audit Committee with effect from December 16, 2023.

The Committee's composition meets with requirements of Section 177 of the Act and SEBI (LODR) Regulations, 2015. All members of the Audit Committee are financially literate and at least one member possesses accounting and related financial management expertise.

The Company Secretary of the Company acts as a Secretary to the Audit Committee. The Audit Committee was constituted to ensure prudent financial and accounting practices, fiscal discipline and transparency in financial reporting. The quarterly results are reviewed by the audit committee and recommended to the board for its adoption.

##### (ii) Powers of Audit Committee:

The Audit Committee shall have the authority to investigate into any matter in relation to the items specified its terms of reference or such other matter as may be referred to it by the Board and for this purpose, shall have the power to obtain professional advice from external sources and have full access to information contained in the records of the Company and seek information from any employee of the Company.

Further, the Audit Committee shall mandatorily review the following information:

- (a) Management discussion and analysis of financial condition and results of operations;
- (b) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;
- (c) Internal audit reports relating to internal control weaknesses;
- (d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
- (e) Statement of deviations:
  - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulations, 2015; and



- ii. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015.

**(iii) Brief Description of Terms of Reference of the Audit Committee:**

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and SEBI (LODR) Regulations, 2015. The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter-alia, performs the following functions:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board'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 judgment 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;
  - g. modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. 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 utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. 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;
16. 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;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing the 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 existing as on the date of coming into force of this provision.
21. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

**(iv) Meetings of Audit Committee and Attendance thereat:**

During the financial year 2023-24, the Audit Committee met Four (4) times i.e. on May 26, 2023, August 11, 2023, November 08, 2023, and February 10, 2024. The details of attendance of members in such meetings are as under:

<b>Name of the Director</b>	<b>Designation</b>	<b>May 26, 2023</b>	<b>August 11, 2023</b>	<b>November 8, 2023</b>	<b>February 10, 2024</b>
Mr. Bharat Chunilal Shah	Chairman	✓	✓	✓	✓
Ms. Neelu Atulkumar Shah	Member	✓	✓	✓	✓
Mr. Pankaj Amritlal Shah	Member	NA	NA	NA	✓
Mr. Kamalkumar Rajendra Aggarwal	Member	✓	✓	✓	✓

## **(B) Nomination and Remuneration Committee:**

### **(i) Composition of Nomination and Remuneration Committee:**

Pursuant to Section 178 of the Act and Regulation 19 of SEBI (LODR) Regulations, 2015, the Board of Directors has duly constituted the Nomination & Remuneration Committee. The Company's Nomination and Remuneration Committee comprises Mr. Lalit Devidutt Chaudhary as the Chairperson and Ms. Neelu Atulkumar Shah and Mr. Bharat Chunilal Shah as members of the Committee. All the members of the Committee are Non-Executive Directors, and the chairperson is an Independent Director.

### **(ii) Brief Description of Terms of Reference of Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures. The role of Nomination and Remuneration Committee, inter-alia, includes:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of independent directors and the Board;
4. Devising a policy on Board diversity;
5. Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
6. 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.
7. recommend to the board, all remuneration, in whatever form, payable to senior management.

### **(iii) Meetings of Nomination and Remuneration Committee and Attendance thereat:**

During the financial year 2023-24, the Nomination and Remuneration Committee met three (3) times i.e. on August 31, 2023, November 8, 2023 and December 16, 2023. The details of attendance of members in such meetings are as under:

Name of the Director	Designation	August 31, 2023	November 8, 2023	December 16, 2023
Mr. Lalit Devidutt Chaudhary	Chairman	-	✓	-
Ms. Neelu Atulkumar Shah	Member	✓	✓	✓
Mr. Bharat Chunilal Shah	Member	✓	-	✓

**(iv) Performance evaluation criteria for Independent Directors:**

Performance evaluation of Independent Directors is done by the entire Board, excluding the Independent Director being evaluated, on the basis of following evaluation criteria:

- (a) Participation at Board/Committee Meetings;
- (b) Managing Relationship;
- (c) Knowledge and Skill; and
- (d) Personal Attributes.

**(C) Stakeholders' Relationship Committee:**

**(i) Composition of Stakeholders' Relationship Committee:**

The Board of Directors of the Company constituted a Stakeholders' Relationship Committee in terms of the requirements of Section 178 of the Act and Rules framed thereunder read with Regulation 20 of SEBI (LODR) Regulations, 2015. The Stakeholders' Relationship Committee comprises Mr. Bharat Chunilal Shah as the Chairperson and Mr. Rajesh Chimanlal Gandhi and Mr. Lalit Devidutt Chaudhary as members of the Committee.

Mr. Bharat Chunilal Shah, chairperson of the Committee, is a non-executive Independent Director of the Company.

**(ii) Brief Description of Terms of Reference of Stakeholders' Relationship Committee:**

The role of Stakeholders' Relationship Committee includes resolving the grievances of shareholders, ensuring expeditious share transfer process, evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company. The role of the committee shall inter-alia include the following:

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.
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.

**(iii) Meetings of Stakeholders’ Relationship Committee and Attendance thereat:**

During the financial year 2023-24, the Stakeholders’ Relationship Committee met Once i.e. on November 8, 2023. The details of attendance of members in such meeting are as under:

<b>Name of the Director</b>	<b>Designation</b>	<b>November 8, 2023</b>
Mr. Bharat Chunilal Shah	Chairman	-
Mr. Lalit Devidutt Chaudhary	Member	✓
Mr. Rajesh Chimanlal Gandhi	Member	✓

**(iv) Shareholders’ Complaints:**

The Company and Link Intime India Private Limited (Registrar & Share Transfer Agent) attend to all the complaints of the Shareholders’ promptly. Continuous efforts are being made to ensure that Shareholders’ Complaints are expeditiously resolved to the satisfaction of the shareholder.

Details of shareholders’ complaints during the Financial Year 2023-24 are as follows:

Number of shareholders’ complaints received during the Financial Year	5
Number of complaints resolved during the Financial Year	5
Number of complaints not solved to the satisfaction of shareholders’	0
Number of complaints pending at the end of the Financial Year	0

**(v) Name and designation of the Compliance Officer:**

Mr. Shahilkumar Kapatel, Company Secretary & Compliance Officer.

**(D) Risk Management Committee:**

**(i) Composition of Risk Management Committee:**

The Risk Management Committee (RMC) of the Company is constituted in line with the provisions of Regulation 21 of SEBI (LODR) Regulations, 2015.

As of March 31, 2024, The Risk Management Committee of the Company comprised of three members, Mr. Rajesh Chimanlal Gandhi as the Chairperson and Ms. Neelu Atulkumar Shah and Mr. Himanshu Pratulchandra Purohit as members of the Committee.

During the financial year 2023-24, Mr. Samir Chandrakant Patel resigned from the position of independent director of the Company and as a member and chairman of Risk Management Committee with effect from May 13, 2023. Subsequently, The Board of Director at its meeting held on August 11, 2023, reconstituted the Risk Management Committee by appointing Ms. Neelu Atulkumar Shah, Independent Director, as a member of the committee and designated Mr. Rajesh Chimanlal Gandhi as Chairperson of the committee.

**(ii) Brief Description of Terms of Reference of Risk Management Committee:**

The role of the Risk Management Committee includes the implementation of Risk Management Systems and Framework, review the Company’s financial and risk management policies, assess risk and procedures to minimize the same. The role of the committee, inter alia, include the following:

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

**(iii) Meetings of Risk Management Committee and Attendance thereat:**

During the financial year 2023-24, the Risk Management Committee met two (2) times i.e. on July 08, 2023, and January 01, 2024. The details of attendance of members in such meetings are as under:

<b>Name of the Director</b>	<b>Designation</b>	<b>July 08, 2023</b>	<b>January 01, 2024</b>
Mr. Rajesh Chimanlal Gandhi	Chairman	✓	✓
Mr. Himanshu Prafulchandra Purohit	Member	✓	✓
Ms. Neelu Atulkumar Shah	Member	NA	-

**(E) Corporate Social Responsibility Committee:**

**(i) Composition of Corporate Social Responsibility Committee:**

The Company has constituted as Corporate Social Responsibility Committee in terms of Section 135 of the Companies Act, 2013 and the rules made thereunder.

As of March 31, 2024, the Corporate Social Responsibility (CSR) Committee of the Company comprised of three members, Mr. Navdeep Naresh Goyal as the Chairperson and Mr. Bharat Chunilal Shah and Mr. Rajveer Kamal Aggarwal as members of the Committee.

During the financial year 2023-24, Mr. Pradeep Vishambhar Agrawal resigned from the position of independent director of the Company and as a member of CSR Committee with effect from of June 26, 2023. Subsequently, the Board of Director at its meeting held on August 11, 2023, reconstituted the Corporate Social Responsibility Committee by appointing Mr. Rajveer Kamal Aggarwal, Wholetime director of the Company, as member of the CSR Committee.

**(ii) Brief Description of Terms of Reference of Corporate Social Responsibility Committee:**

The role of Corporate Social Responsibility Committee includes formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company, recommending the amount of expenditure to be incurred on CSR activities of the Company, reviewing the performance of Company in the areas of CSR.

The terms of reference of the Corporate Social Responsibility Committee framed in accordance with Section 135 of the Companies Act, 2013, are as follows:

- (a) To formulate and recommend to the board, 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 and the rules made thereunder and make any revisions therein as and when decided by the Board;
- (b) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- (c) To recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
- (d) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- (e) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and
- (f) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, 2013.

**(iii) Meetings of Corporate Social Responsibility Committee and Attendance thereat:**

During the financial year 2023-24, the Corporate Social Responsibility Committee met Once i.e. on August 31, 2023. The details of attendance of members in such meeting are as under:

<b>Name of the Director</b>	<b>Designation</b>	<b>August 31, 2023</b>
Mr. Navdeep Naresh Goyal	Chairman	✓
Mr. Bharat Chunilal Shah	Member	✓
Mr. Rajveer Kamal Aggarwal	Member	✓

#### 4. SENIOR MANAGEMENT:

Particulars of senior management personnels:

Name of Senior Management Personnel	Designation	Date of Appointment
Mr. Rajesh Chimanlal Gandhi	Chief Financial Officer	May 1, 2019
Mr. Shahilkumar Kapatel	Company Secretary	September 26, 2018

No changes took place in senior management since the close of the previous financial year.

#### 5. REMUNERATION OF DIRECTORS:

##### (i) Pecuniary relationship or transactions of the non-executive Directors with the Company:

During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors apart from sitting fees for attending Board and Committee meetings. The Independent Directors of the Company shall not be entitled to participate in Stock Option Scheme of the Company, if any, introduced by the Company. Independent Directors are currently entitled for sitting fees of Rs. 10,000/- for attending every Board Meeting and Rs. 5000/- for attending every Committee Meeting.

During the Financial Year 2023-24, the following sitting fees were accrued to the non-executive Directors:

(INR in lacs)

Name of the Director	Designation	Sitting Fees
Ms. Neelu Atulkumar Shah	Independent Director	0.95
Mr. Lalit Devidutt Chaudhary	Independent Director	0.20
Mr. Samir Chandrakant Patel	Independent Director	0.00
Mr. Bharat Chunilal Shah	Independent Director	0.75
Mr. Pradeep Vishambhar Agrawal	Independent Director	0.00
Mr. Pankaj Amritlal Shah	Independent Director	0.15
Mr. Lalit Ramniklal Mehta	Independent Director	0.10

##### (ii) Criteria of making payments to non-executive Directors:

The Non-Executive Independent Directors are entitled to sitting fees for attending the meetings and for their valuable contributions to the meetings of the Board and Committees. Sitting fees specified for Non-Executive Independent Directors are within the limits prescribed by the Companies Act, 2013 and as approved by the Board of Directors from time to time on the recommendation by Nomination and Remuneration Committee.

##### (iii) Remuneration of Executive Directors:

The details of remuneration of each director summarized under major groups and the details of fixed component and performance linked incentive for the financial year 2023-24 is as follows:



(INR in Lacs)

Name of the Director	Designation	Salary & Allowances	Bonus	Perquisites	Contribution to Provident Fund	Contribution to Pension Fund	Variable Pay	Total
Mr. Kamalkumar Rajendra Aggarwal	Chairman & Managing Director	48.00	-	-	-	-	55.00	103.00
Mr. Navdeep Naresh Goyal	Deputy Managing Director (Now WTD)	72.00	-	-	-	-	55.00	127.00
Mr. Rajesh Chimanol Gandhi	Whole-time Director and CFO	39.90	-	-	0.22	-	-	40.12
Mr. Himanshu Prafulchandra Purohit	Whole-time Director	39.90	-	-	0.22	-	-	40.12
Mr. Rajveer Kamal Aggarwal	Whole-time Director (Now NED)	24.00	-	-	-	-	-	24.00

The variable pay is linked to profits of the Company and is computed in the manner laid down in Section 198 of the Act. The performance criteria for the variable pay portion of the Executive Directors comprise of key indicators of Company's Performance such as Sales, EBITDA and PBT.

The Company has not entered into any Service Contract with the Directors and has not made any provision relating to notice period and severance fees.

The Company has not established Stock Options Scheme and has not provided any stock options to the Directors.

## 6. GENERAL BODY MEETINGS:

- a. Location, date and time of Annual General Meetings held during the last 3 years and the summary of Special Resolutions passed therein are as below:

<b>Financial Year</b>	2022-23
<b>Date of Meeting</b>	September 28, 2023
<b>Time of Meeting</b>	11:30 AM (IST)
<b>Venue</b>	Meeting held through Video Conferencing ("VC")/ other Audio- Visual Means("OAVM")
<b>Special Resolution Passed</b>	<ol style="list-style-type: none"> <li>1. Re-appointment of Mr. Lalit Devidutt Chaudhary (DIN: 00651372) as an Independent Director of the Company.</li> <li>2. Re-appointment of Mr. Bharat Chunilal Shah (DIN: 08281811) as an Independent Director of the Company.</li> </ol>

	3. Re-appointment of Ms. Neelu Atulkumar Shah (DIN: 08283933) as an Independent Director of the Company.
<b>Financial Year</b>	2021-22
<b>Date of Meeting</b>	July 26, 2022
<b>Time of Meeting</b>	11:30 AM (IST)
<b>Venue</b>	Meeting held through Video Conferencing ("VC")/ other Audio- Visual Means("OAVM")
<b>Special Resolution Passed</b>	<ol style="list-style-type: none"> <li>1. Appointment of Mr. Pradeep Vishambhar Agrawal (DIN: 00048699) as a Director and as an Independent Director</li> <li>2. Re-appointment of Mr. Kamalkumar Rajendra Aggarwal (DIN: 00139199) as a Managing Director</li> <li>3. Re-appointment of Mr. Navdeep Naresh Goyal (DIN: 02604876) as a Deputy Managing Director</li> <li>4. Re-appointment of Mr. Rajesh Chimanlal Gandhi (DIN: 03296784) as a Whole-time Director</li> <li>5. Re-appointment of Mr. Rajveer Kamal Aggarwal (DIN: 07883896) as a Whole-time Director</li> <li>6. Re-appointment of Mr. Himanshu Prafulchandra Purohit (DIN: 03296807) as a Whole-time Director</li> </ol>

<b>Financial Year</b>	2020-21
<b>Date of Meeting</b>	September 28, 2021
<b>Time of Meeting</b>	11:00 AM
<b>Venue</b>	Meeting held through Video Conferencing ("VC")/ other Audio- Visual Means("OAVM")
<b>Special Resolution Passed</b>	<ol style="list-style-type: none"> <li>1. Approval of increase in remuneration of Mr. Rajesh Chimanlal Gandhi (DIN: 03296784), Whole-Time Director &amp; Chief Financial Officer of the Company</li> <li>2. Approve increase in remuneration of Himanshu Prafulchandra Purohit (DIN: 03296807), Whole-time Director of the Company</li> </ol>

b. No Extra-Ordinary General Meeting of the Members was held during the financial year 2023-24.

## 7. POSTAL BALLOT:

During the financial year 2023-24, the below Special Resolutions were passed through postal ballot:

Sr. No.	Special Resolution Passed	Voting Pattern (Number of votes cast and %)		Date of Passing of Resolution
		in favour	against	
1.	Appointment of Mr. Pankaj Amritlal Shah (DIN: 10417855) as an Independent Director	13824729 (99.99%)	1208 (0.01%)	February 3, 2024
2.	Appointment of Mr. Lalit Ramniklal Mehta (DIN: 00903743) as an Independent Director	13824728 (99.99%)	1138 (0.01%)	February 3, 2024

The Company had appointed CS Chirag Vinodbhai Rathod, Rathod & Co., Practicing Company Secretaries, (Membership No A54460 and C.P. No. 20186) as scrutiniser for conducting the postal ballot process including remote e-voting process in a fair and transparent manner.

Further, currently there is no proposal to pass any special resolution through Postal Ballot.

#### **Procedure for Postal Ballot:**

During the financial year 2023-24, the Company provided the facility to the members to exercise votes through electronic voting system ('remote e-voting') for postal ballot pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. In view of the relaxation granted by Ministry of Corporate Affairs, the postal ballot notices, inter alia, detailing the voting instructions were sent through email only to those members who had registered their email IDs with the Company/depositories.

The Company also published notice in the newspapers for the information of the members. Voting rights were reckoned on the basis of equity shares held by the members as on the cut-off date. Pursuant to the provisions of the Act, the Company appointed a scrutiniser for conducting the postal ballot process in a fair and transparent manner. The scrutiniser submitted his consolidated report to the Chairman and the voting results were announced by the Chairman by placing the same along with the scrutiniser's report on the Company's website, along with being communicated to the stock exchanges.

## **8. MEANS OF COMMUNICATION:**

### **(i) Financial Results:**

The quarterly, half yearly and annual financial results of the Company are uploaded on NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre in accordance with the requirements of SEBI (LODR) Regulations, 2015. The financial results are displayed on BSE and NSE websites. The financial results are also published in "Business Standard" (English) and "Loksatta Jansatta" (Gujarati) newspapers and posted on the Company's website at [www.cscpl.com](http://www.cscpl.com).

### **(ii) Press Release/ Analyst Call:**

The official media releases and presentations made to Institutional Investors / Analysts and audio recording of Analyst Calls, and transcripts are posted on the Company's website and are uploaded on website of BSE and NSE.

## **9. GENERAL SHAREHOLDER INFORMATIONS:**

<b>AGM Date, Time, and Venue</b>	Thursday, September 26, 2024, at 11:30 a.m. through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) at Vadodara.	
<b>Financial Year</b>	Starting from April 01 to March 31	
<b>Financial Calendar</b>	a. FY 2023-24 - Q4 and Annual Results	On May 18, 2024
	b. FY 2024-25 - Q1 Results	On August 3, 2024

	c. FY 2024-25 - Q2 Results	On or before November 14, 2024
	d. FY 2024-25 - Q3 Results	On or before February 14, 2025
<b>Dividend payment date</b>	The Board has not recommended any final dividend for the year ended March 31, 2024.	
<b>Dates of Book Closure</b>	There is no closure of Register of Members and Share Transfer Book of the Company.	
<b>Listing on Stock Exchanges</b>	<p><b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001, India</p> <p><b>National Stock Exchange of India Limited</b> Exchange Plaza, C-1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051, India</p> <p>The annual listing fee has been paid to BSE &amp; NSE for the FY 2024-25. Further, the Securities of the Company have not been suspended from trading during the Financial Year 2023-24.</p>	
<b>Listing Date</b>	<p><b>BSE Limited:</b> October 01, 2020</p> <p><b>National Stock Exchange of India Limited:</b> October 01, 2020</p>	
<b>Stock Code / Symbol</b>	<p><b>BSE Limited:</b> 543233</p> <p><b>National Stock Exchange of India Limited:</b> CHEMCON</p>	
<b>Registrar &amp; Share transfer Agent</b>	<p><b>Link Intime India Private Limited</b> C-101, 1st Floor, 247 Park, 86 Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India Tel. No.: 022-49186000   Fax No.: 022-49186060 Email: <a href="mailto:mumbai@linkintime.co.in">mumbai@linkintime.co.in</a></p>	
<b>Share Transfer System</b>	In accordance with Regulation 40 of SEBI (LODR) Regulations, 2015, as amended, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository. Also, transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.	
<b>Dematerialisation of Equity Shares and Liquidity</b>	As on March 31, 2024, 100.00% of the total Shares of the Company representing 3,66,30,701 shares were held in dematerialised form through National Securities Depository Limited and Central Depository Services (India) Limited.	
<b>Global Depository Receipts / American Depository Receipts / Warrants / Convertible Instruments</b>	The Company does not have any outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments.	
<b>Disclosure for Commodity price risk</b>	During the Financial Year 2023-24, the Company had managed the foreign exchange risk to the extent considered necessary. The details	

<b>or foreign exchange risk and hedging activities</b>	of foreign currency exposure are disclosed in Note No. 25 to the Financial Statement. The Company has not undertaken any hedging activities for commodity price risk and foreign exchange risk.
<b>Plant Locations</b>	The Company's manufacturing operations are based at Manufacturing Facility located at Manjusar, near Vadodara City in the state of Gujarat. The Manufacturing Facility, comprising of individual operational plants, is located at single location, which is owned by the Company. The Manufacturing Facility comprises of nine individual operational plants, which are dedicated towards the manufacture of specific products.
<b>Credit Ratings</b>	As at the financial year ended March 31, 2024, the Company had a Long-Term Rating of CRISIL BBB+/Negative (Outlook revised from 'Stable'; Rating Reaffirmed). The Credit Rating Letter is also available on the website of the Company at, <a href="https://cscpl.com/wp-content/uploads/investors-relations/credit-ratings/crisil-ratings_sep-23.pdf">https://cscpl.com/wp-content/uploads/investors-relations/credit-ratings/crisil-ratings_sep-23.pdf</a> .
<b>Address for Correspondence</b>	<b>Chemcon Speciality Chemicals Limited</b> Block No. 355, Manjusar-Kunpad Road, Village: Manjusar, Taluka: Savli, District: Vadodara, Gujarat – 391775 Email id: <a href="mailto:investor.relations@cscpl.com">investor.relations@cscpl.com</a> Website: <a href="http://www.cscpl.com">www.cscpl.com</a>

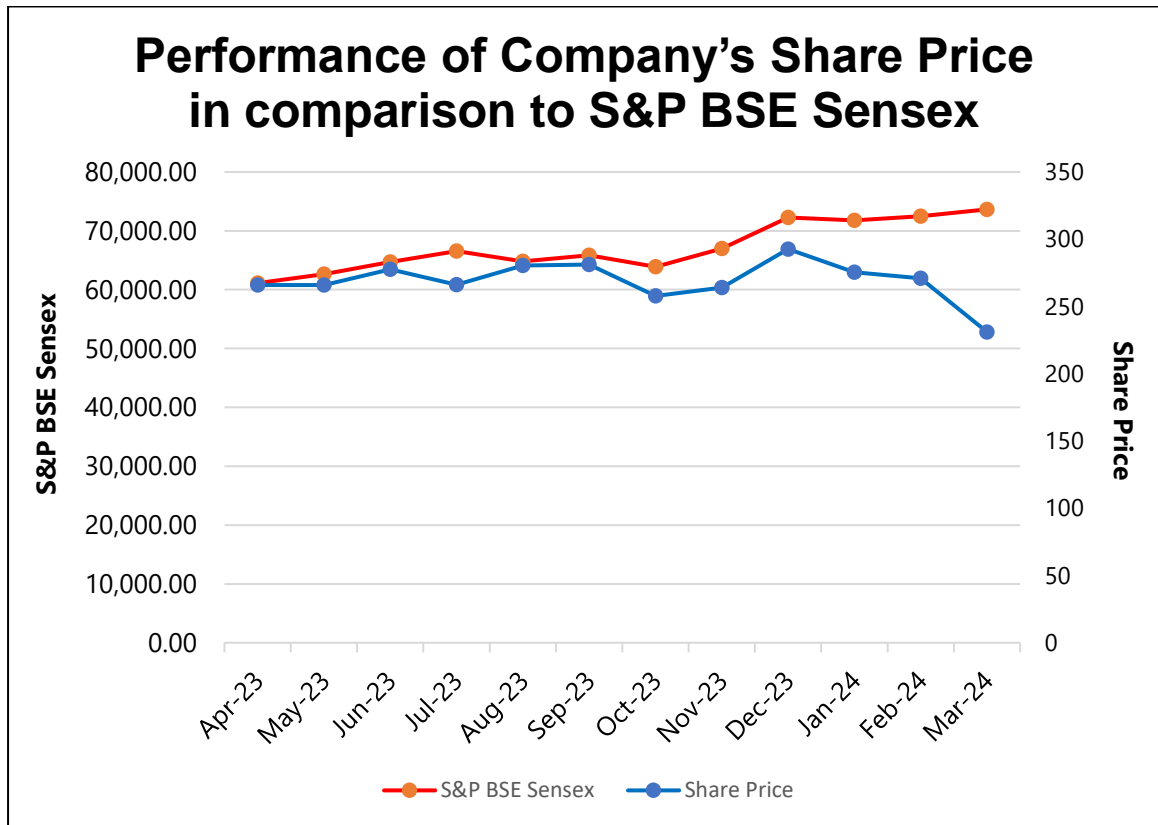
#### Market Price Data of Equity Shares:

The monthly high and low prices and volumes of shares of the Company at BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) for the year ended March 31, 2024, are as under:

Month	BSE			NSE		
	High Price	Low Price	Volume of Shares (in Lakhs)	High Price	Low Price	Volume of Shares (in Lakhs)
<b>Apr-23</b>	270.35	230.70	0.70	270.25	230.95	8.07
<b>May-23</b>	296.00	262.50	1.96	296.80	262.50	15.26
<b>Jun-23</b>	283.35	262.00	1.46	283.50	265.00	12.65
<b>Jul-23</b>	284.40	261.00	1.55	285.00	262.00	9.62
<b>Aug-23</b>	282.05	241.65	2.04	282.60	245.00	20.01
<b>Sep-23</b>	319.05	274.15	2.80	319.45	272.80	24.63
<b>Oct-23</b>	290.80	251.40	1.16	291.00	253.05	9.10
<b>Nov-23</b>	277.40	257.00	1.03	277.30	257.00	7.13
<b>Dec-23</b>	310.70	263.00	2.92	311.80	264.00	35.34
<b>Jan-24</b>	306.95	270.10	1.62	307.50	270.65	18.49
<b>Feb-24</b>	281.40	246.00	1.58	282.00	244.95	19.50
<b>Mar-24</b>	286.45	230.00	2.06	287.00	230.05	17.47

**Performance of Company’s Share Price in comparison to S&P BSE Sensex:**

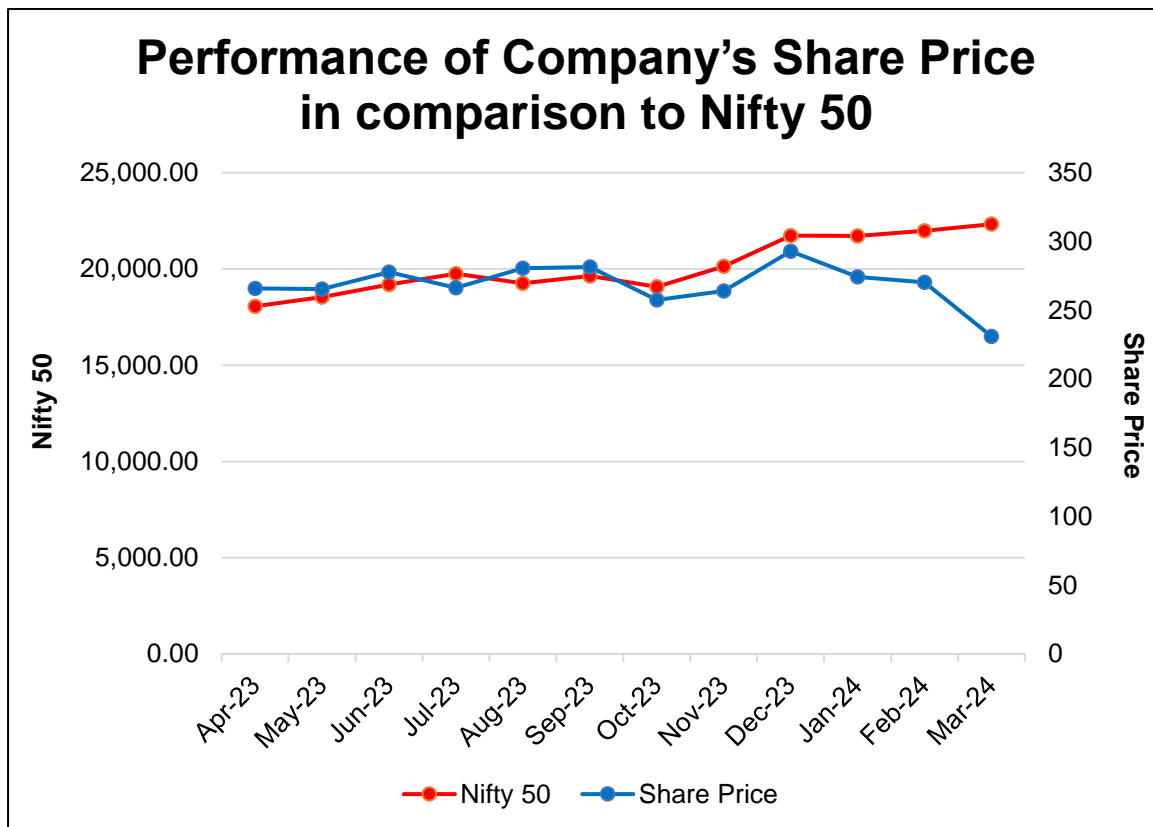
Month	Share Price (Close)	S&P BSE Sensex (Close)
Apr-23	265.95	61,112.44
May-23	265.95	62,622.24
Jun-23	277.70	64,718.56
Jul-23	266.10	66,527.67
Aug-23	280.45	64,831.41
Sep-23	281.15	65,828.41
Oct-23	257.85	63,874.93
Nov-23	264.15	66,988.44
Dec-23	292.70	72,240.26
Jan-24	275.50	71,752.11
Feb-24	271.05	72,500.30
Mar-24	231.05	73,651.35



**Performance of Company’s Share Price in comparison to Nifty 50:**

Month	Share Price (Close)	Nifty 50 (Close)
Apr-23	265.90	18,065.00
May-23	265.30	18,534.40
Jun-23	277.70	19,189.05
Jul-23	266.25	19,753.80
Aug-23	280.50	19,253.80
Sep-23	281.50	19,638.30
Oct-23	257.55	19,079.60
Nov-23	264.00	20,133.15

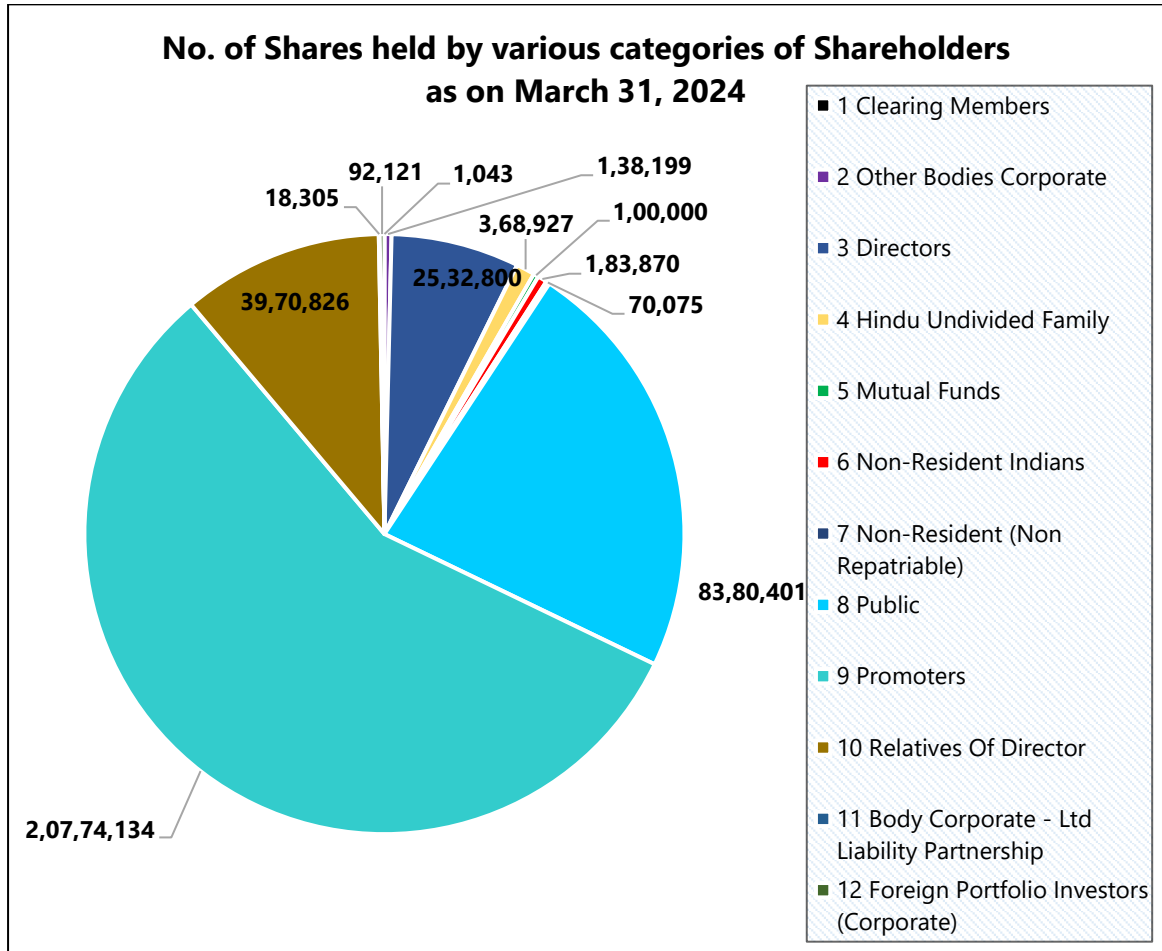
Month	Share Price (Close)	Nifty 50 (Close)
Dec-23	292.90	21,731.40
Jan-24	274.35	21,725.70
Feb-24	270.30	21,982.80
Mar-24	231.00	22,326.90



#### Categories of Shareholders:

Categories of Shareholders as on March 31, 2024, is as follows:

Sr. No.	Category	No. of Shares	No. of Holders	% of holding
1.	Clearing Members	1043	3	0.0028
2.	Other Bodies Corporate	138199	146	0.3773
3.	Directors	2532800	1	6.9144
4.	Hindu Undivided Family	368927	1472	1.0072
5.	Mutual Funds	100000	1	0.2730
6.	Non-Resident Indians	183870	622	0.5020
7.	Non-Resident (Non Repatriable)	70075	296	0.1913
8.	Public	8380401	76,565	22.8781
9.	Promoters	20774134	3	56.7124
10.	Relatives Of Director	3970826	3	10.8402
11.	Body Corporate - Ltd Liability Partnership	18305	15	0.0500
12.	Foreign Portfolio Investors (Corporate)	92121	5	0.2515
<b>TOTAL</b>		<b>36630701</b>	<b>79132</b>	<b>100.0000</b>



**Distribution of Shareholding:**

The distribution of Shareholding on the basis of DP ID and Client ID as on March 31, 2024, is as follows:

Holding	Shareholders		Shares	
	Number	%	Number	%
1 – 500	77843	96.7968	4940849	13.49
501 – 1000	1551	1.9286	1185789	3.24
1001 – 2000	599	0.7448	888851	2.43
2001 – 3000	185	0.2300	466464	1.27
3001 – 4000	69	0.0858	245011	0.67
4001 – 5000	37	0.0460	173847	0.47
5001 – 10000	86	0.1069	607043	1.66
10001 and above	49	0.0609	28122847	76.77
<b>Total</b>	<b>80419</b>	<b>100.0000</b>	<b>3,66,30,701</b>	<b>100.00</b>

**10. OTHER DISCLOSURE:**

**Disclosure on materially significant related party transactions:**

During the Financial Year 2023-24, there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large. Related party



transactions during the year have been disclosed as part of Financial Statements as required under Indian Accounting Standard issued by The Institute of Chartered Accountants of India. The Audit Committee reviews these transactions, and the transactions executed with the related party(ies) were in the ordinary course of business and on an arm's length basis. The Policy on Related Party Transactions has been uploaded on the website of the Company, at <https://cscpl.com/investors-relations/disclosure-under-regulation-46-of-the-lodr/policies/>.

#### Details of Non-compliance on matters related to capital markets:

There were no instances of non-compliance by the Company nor any penalties, strictures were imposed on the Company by Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the reporting period of last three years.

#### Whistle Blower Policy:

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has established a Whistle-blower Policy wherein the employees are encouraged to report violation of laws, rules and regulations. The confidentiality of such reporting is maintained and is not subject to any discriminatory practice. We affirm that no employee has been denied access to the Audit Committee during the financial year 2023-24.

The said Whistle-Blower Policy has been hosted on the website of the Company, at, <https://cscpl.com/investors-relations/disclosure-under-regulation-46-of-the-lodr/policies/>.

#### Compliance with Mandatory requirements and adoption of non-mandatory requirements:

The Company has complied with all the mandatory requirements of SEBI (LODR) Regulations, 2015 relating to Corporate Governance as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulations, 2015 except below:

#### Details of Non-compliance:

During the financial year 2023-24, two Independent Directors of the Company resigned from the Board of Directors on May 13, 2023, and June 26, 2023, and the Company appointed two Independent Directors in place of the Independent Directors who resigned from the board of directors after the period of three months from the date of vacancy, this resulted in non-compliance with Regulation 17(1), Regulation 17(1E) and Regulation 25(6) of SEBI (LODR) Regulations, 2015.

The Board at their meeting held on December 16, 2023, have appointed two Independent Directors, Mr. Pankaj Amritlal Shah and Mr. Lalit Ramniklal Mehta and thus, complied with regulation 17(1) of SEBI (LODR) Regulations, 2015. Further, the appointment of Independent Directors was approved by the Shareholders through e-voting through postal ballot on February 3, 2024.

The National Stock Exchange of India Limited and BSE Limited had levied fine as per SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 (Chapter - VII (A)-Penal Action for Non-Compliance) for the quarter ended September 30, 2023, and December 31, 2023, for non-compliance with the requirements pertaining to the composition of the Board under Reg. 17(1) of SEBI (LODR) Regulations, 2015 as below:

Quarter	NSE Limited (Fine excluding GST)	BSE Limited (Fine excluding GST)
September 2023	2,45,000	2,45,000
December 2023	3,80,000	3,80,000
<b>TOTAL</b>	<b>6,25,000</b>	<b>6,25,000</b>

### **Reason for non-compliance:**

The delay in addressing the non-compliance was due to the time consumed in the identification of proper candidates for the position of Independent Directors. The Company appointed two Independent Directors, Mr. Pankaj Amritlal Shah and Mr. Lalit Ramniklal Mehta on December 16, 2023, and thus complied with regulation 17(1) of SEBI (LODR) Regulations, 2015. The Company duly paid the fines levied by the National Stock Exchange of India Limited and BSE Limited and the corrective action taken by the Company was communicated to stakeholders in an appropriate manner.

### **Adoption of discretionary requirements:**

The Company has adopted certain discretionary requirements as specified under Part E of Schedule II of SEBI (LODR) Regulations, 2015 and accordingly,

- The Audit Report on the Company's Financial Statements for the year ended March 31, 2024, is unmodified.
- The Internal Auditors reports directly to the Audit Committee.

### **Policy for Material Subsidiaries:**

In accordance with the provisions of SEBI (LODR) Regulations, 2015, the Company has duly formulated policy for Material Subsidiaries in order to determine the Material Subsidiaries and to provide governance framework for such subsidiaries. There were no Material Subsidiaries of the Company during the Financial Year 2023-24. The policy for Material Subsidiaries has been placed on the website of the Company, at, <https://cscpl.com/investors-relations/disclosure-under-regulation-46-of-the-lodr/policies/>.

### **Details of utilization of Funds raised through preferential allotment or qualified institutions placement:**

The Company has not raised any funds through preferential allotment or qualified institutions placement during the Financial Year 2023-24.

### **Certificates from Company Secretary in Practice:**

A certificate from Mr. Chirag Rathod, Proprietor, Rathod & Co., Practicing Company Secretaries, to the effect that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI, Ministry of Corporate Affairs or any such Statutory Authority, is appended as **Annexure – I** to this report.

### **Dividend Distribution Policy:**

The Board of Directors of the Company has adopted a Dividend Distribution Policy, which aims to ensure fairness, sustainability and consistency in distributing profits to the Shareholders. The Dividend Distribution Policy is appended as **Annexure – II** to this report and is also available on the website of the Company, at, <https://cscpl.com/investors-relations/disclosure-under-regulation-46-of-the-lodr/policies/>.

### **Recommendations of the Committees:**

All the mandatorily required recommendations made by the Committees of Board during the Financial Year 2023-24 were accepted and approved by the Board.

### Total Fees paid to Statutory Auditors:

Total fees for all services paid by the Company to K C Mehta & Co LLP, Chartered Accountants, Statutory Auditors of the Company are:

(INR in Lacs)

<b>Payment to Statutory Auditors</b>	<b>Financial Year 2023-24</b>
Statutory Audit Fees	7.25
Limited Review	2.25
<b>Total</b>	<b>9.50</b>

### Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has zero tolerance for sexual harassment at workplace and has set up an Internal Complaints Committee to consider and resolve all complaints relating to sexual harassment to its women employees at workplace. The Company has taken various initiatives to ensure a safe and healthy workplace for its women employees.

The Company has also adopted a policy for prevention of Sexual Harassment of Women at workplace pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy is hosted on the website of the Company at <https://cscpl.com/investors-relations/shareholder-information/disclosure-policies/>

No complaints of sexual harassment were received by the Company during the financial year 2023-24.

### Loans and advances in the nature of loans to firms/companies in which directors are interested:

No loans and advances in the nature of loans to firms/companies in which directors are interested were given by the Company during the financial year 2023-24.

### Demat Suspense Account – Unclaimed Suspense Account:

The Company did not have any funds lying unpaid or unclaimed for a period of seven years and therefore transfer of unclaimed and unpaid dividends as well as transfer of shares to IEPF is not applicable for the Financial Year 2023-24.

### Disclosure of Certain Types of Agreements Binding the Company:

During the financial year 2023-24, no agreements were entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

## 11. CODE OF CONDUCT:

The Company has framed and adopted the code of conduct for Directors and Senior Management in terms of requirements of SEBI (LODR) Regulations, 2015. The said code has been communicated to the Directors and the members of Senior Management. The code has been uploaded on the Company's website, at <https://cscpl.com/investors-relations/shareholder-information/disclosure-policies/>

**Annexure - I**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members,  
**Chemcon Speciality Chemicals Limited**  
Block No. 355, Manjusar Kunpad Road,  
Manjusar Village, Taluka Savli,  
Vadodara - 391775, Gujarat

I, Chirag Vinodbhai Rathod, Proprietor, Rathod & Co., Practicing Company Secretary, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Chemcon Speciality Chemicals Limited, having CIN: L24231GJ1988PLC011652 and having registered office at Block No. 355, Manjusar Kunpad Road, Manjusar Village, Taluka Savli, Vadodara - 391775, Gujarat, (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2024, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA) or any such other Statutory Authority.

The list of the Directors as at March 31, 2024, is as follows:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of appointment in Company</b>
1.	Kamalkumar Rajendra Aggarwal	00139199	19/01/2004
2.	Navdeep Naresh Goyal	02604876	01/04/2015
3.	Rajesh Chimanlal Gandhi	03296784	01/05/2012
4.	Himanshu Prafulchandra Purohit	03296807	01/05/2012
5.	Rajveer Kamal Aggarwal	07883896	01/10/2017
6.	Lalit Devidutt Chaudhary	00651372	29/04/2019
7.	Bharat Chunilal Shah	08281811	29/04/2019
8.	Neelu Atulkumar Shah	08283933	29/04/2019
9.	Lalit Ramniklal Mehta	00903743	16/12/2023
10.	Pankaj Amritlal Shah	10417855	16/12/2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Rathod & Co.**

Practicing Company Secretaries

Place: Anand

Date: August 12, 2024

UDIN: A054460F000951048

**Chirag Vinodbhai Rathod**

Membership No.: 54460

CP. No.: 20186

Peer Review Certificate No.: 1762/2022

## **DIVIDEND DISTRIBUTION POLICY**

### **PREAMBLE**

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") require the top 1000 listed companies, based on market capitalization as on March 31 of every financial year, to disclose a Dividend Distribution Policy in the annual report and on the corporate website.

The Board of Directors ("Board") of Chemcon Speciality Chemicals Limited ("Company") has adopted this Dividend Distribution Policy ("Policy") to comply with the Listing Regulations.

The Company currently has only one class of shares, i.e., equity, for which this Policy is applicable. The Policy is subject to review if and when the Company issues different classes of shares.

### **DIVIDEND DISTRIBUTION PHILOSOPHY**

The Company is deeply committed to driving superior value creation for all its stakeholders'. The Company's focus will continue to be on the sustainable returns, through an appropriate capital strategy for both medium term and longer term value creation. Accordingly, the Board would continue to adopt a progressive and dynamic dividend policy, ensuring the immediate as well as long term needs of the business.

### **DIVIDEND**

Dividend represents the profit of the Company, which is distributed to shareholders in proportion to the amount of the paid-up shares they hold. Dividend includes Interim Dividend.

### **CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND**

The shareholders of the Company may not expect dividend in the following circumstances, subject to the discretion of the Board:

- i. In the event of a growth opportunity where the Company may be required to allocate a significant amount of capital.
- ii. In the event of higher working capital requirement for business operations or otherwise.
- iii. When Company's liquidity is jeopardized for any reason, impairing its ability to pay the dividend.
- iv. In the event of loss or inadequacy of profits.

The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

The Company will take a decision on the dividend distribution keeping all external and internal factors in view and duly adopting a judicious balance between directly rewarding the shareholders through dividend declaration on the one hand and increasing shareholder's wealth in future through appropriate retention of projects and its realisation for sustainable growth, on the other.

## **INTERIM AND FINAL DIVIDEND**

The Board may declare one or more Interim Dividends during the year. Additionally, the Board may recommend Final Dividend for the approval of the shareholders at the Annual General Meeting. The date of the Board meeting in which the Dividend proposal will be considered, shall be intimated to the stock exchanges and post board meeting, the outcome of the meeting shall also be provided to the stock exchanges, as required under the Listing Regulations.

## **FINANCIAL PARAMETERS AND OTHER INTERNAL AND EXTERNAL FACTORS THAT WOULD BE CONSIDERED FOR DECLARATION OF DIVIDEND**

- Distributable surplus available with the Company;
- Company's liquidity position and future cash flow needs;
- Track record of dividend distribution of the Company;
- Dividend payout ratios of the comparable companies;
- Prevailing taxation policy or any amendments expected thereof, with respect to dividend distribution;
- Capital expenditure requirements considering the expansion and acquisition opportunities;
- Cost and availability of alternative sources of financing;
- Stipulations / covenants of loan agreements;
- Macroeconomic and business conditions in general; and
- Any other relevant factors that the Board may deem fit to consider before recommending / declaring Dividend.

## **UTILISATION OF RETAINED EARNINGS**

Subject to the applicable provisions, the retained earnings of the Company shall be applied for:

- Funding inorganic and organic growth needs including working capital, capital expenditure, repayment of debt, etc.;
- Buyback of shares subject to applicable limits;
- Payment of dividend in future years;
- Issue of Bonus Shares; and
- Any other permissible purpose

## **MODIFICATION OF THE POLICY**

The Board is authorised to change/amend this Policy from time to time at its sole discretion, as it may deem fit, and/or in pursuance of any amendments made in the Act, the Listing Regulations, etc.

**DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT UNDER SEBI  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Kamalkumar Rajendra Aggarwal, Chairman and Managing Director of Chemcon Speciality Chemicals Limited, hereby declare and affirm that, the members of Board of Directors and senior management personnel of the Company have affirmed compliance with the code of conduct of Board of Directors and senior management, as applicable to them, for the financial year ended March 31, 2024.

**Kamalkumar Rajendra Aggarwal**

Chairman and Managing Director

DIN: 00139199

Date: August 22, 2024

Place: Vadodara



## COMPLIANCE CERTIFICATE

In terms of Regulation 17(8) & Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended), we, the undersigned, hereby certify that -

- A. We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2024, and 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 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 operation 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 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.

**Kamalkumar Rajendra Aggarwal**  
Managing Director

**Rajesh Chimanlal Gandhi**  
Chief Financial Officer

Date: August 22, 2024  
Place: Vadodara

## INDEPENDENT AUDITORS' REPORT

To the Members of  
**Chemcon Speciality Chemicals Limited**

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS:

#### Opinion

We have audited the accompanying financial statements of **Chemcon Speciality Chemicals Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified 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, 2024 and total comprehensive income (comprising of Profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

#### Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance Report, Business Responsibility and Sustainability Report and Shareholder's Information but does not include the financial statements

and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

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

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

When we read the information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

### **Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 is also responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters 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 the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;
  - e. on the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act;
  - f. with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B";
  - g. with respect to the other matters to be included in the Auditors' 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; and

- h. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of with respect to the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27(i) to the financial statements;
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses as at March 31, 2024;
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail facility has been operating throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from the period April 1, 2023 reporting under Rule 11(g) of the Companies Act (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ending March 31, 2024.

For **K C Mehta & Co LLP**

Chartered Accountants

Firm's Registration No. 106237W/W100829

**Chhaya M. Dave**

Partner

Membership No. 100434

UDIN: 24100434BKBFUZ9741

Place: Vadodara

Date: May 18, 2024

## ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in our Independent Auditors' Report to the members of **Chemcon Speciality Chemicals Limited** ("the Company") on the financial statements for the year ended March 31, 2024, we report that:

- i. In respect of the Company's Property, Plant and Equipment:
  - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ("PPE");  
  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - b) The Company has a regular program of physical verification of Property, Plant and Equipment which, in our opinion is reasonable. The assets which were to be covered as per the said program have been physically verified by the management during the year. In our opinion and 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 on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
  - d) The Company has not revalued its PPE (including Right of Use Assets) or intangible assets or both during the year, and hence reporting under this clause of the Order is not applicable to the Company;
  - e) According to the information and explanations given to us no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules thereunder, hence disclosure in its financial statements is not required.
- ii. In respect of Inventories:
  - a) In our opinion and according to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and its nature of its operations. As explained to us, there were no discrepancies of 10% or more in aggregate for each class of inventory on physical verification of inventory as compared to the book records.
  - b) According to the information and explanations given to us, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. The quarterly statements filed by the Company with such banks are not in agreement with the books of accounts of the Company and the details are as follows.

(In ₹ lakhs)

Sr No	Quarter	Name of the Bank	Details of security provided	Amount as per Books of Accounts	Amount as per Quarterly Statements	Differences *
1.	Jun-23	HDFC Bank	Inventory	7,822.39	7,472.23	350.16
2.	Sep-23	HDFC Bank	Inventory	8,130.92	7,797.10	333.82
3.	Dec-23	HDFC Bank	Inventory	8,315.67	7,960.44	355.23

\*Reason of Discrepancies:

The Company has not considered the inventory of stores, spares, and other (such as fuel) when presenting Statement to the bank.

- iii. The Company has not made investment in, provided any guarantee or security or granted any loans, or advance in nature of loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in register maintained under section 189 of Companies Act, 2013 and therefore, reporting under this clause of the order is not applicable to the Company.
- iv. The Company has not granted any loans, made any investments, or provided any guarantees or security to which provisions of section 185 and 186 of the Act apply and therefore, reporting under clause (iv) of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are considered to be deemed deposits during the year, hence directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder are not applicable to the Company. According to information and explanations provided to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- vi. We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii.
  - a) According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including Goods and Services Tax, provident fund, income-tax, cess and other material statutory dues applicable to it. Further, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, income tax, cess and any other statutory dues were in arrears, as at March 31, 2024, for a period of more than six months from the date they become payable.
  - b) According to the information and explanations given to us, there are no statutory dues as referred to in subclause (a) above, except as stated below, which have not been deposited on account of any dispute.



(In ₹ lakhs)

Name of Statute	Nature of Dues	Forum where the Dispute is Pending	Period to which the Amount Relates	Amount Unpaid
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	AY 2018-19	25.67
		Commissioner of Income Tax (Appeals)	AY 2021-22	263.90

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowing or in the payment of interest to any lender during the year.
- b) According to the information and explanations given to us and on the basis of audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information and explanation given to us, the Company has utilized the money obtained by way term loans for the purpose for which they were obtained.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e) The Company does not have any subsidiaries, associates or joint ventures and hence, reporting under clause of 3 (ix) (e) the Order is not applicable to the Company.
- f) The Company has not raised any loans on pledge of securities during the year and therefore reporting under clause 3 (ix) (f) of the Order is not applicable to the Company.
- x. a) The Company has not raised money by way of initial public offer or further public offer (including debt instrument) during the year and therefore, reporting under clause 3 (x) (a) of the Order is not applicable to the Company.
- b) During the year Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and therefore, reporting under clause 3 (x) (b) of the Order is not applicable to the Company.
- xi. a) To the best of our knowledge and according to information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year;

- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report;
  - c) According to the information and explanations given to us, the Company has not received any whistleblower complaints during the year.
- xii. The Company is not a Nidhi company and therefore, reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv.
  - a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business;
  - b) We have considered the internal audit reports of the Company issued till date , for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors and therefore, reporting under clause3 (xv) of the Order is not applicable to the Company.
- xvi.
  - a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.
  - b) In our opinion and according to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and therefore, reporting under this clause of the Order is not applicable to the Company;
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future

viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due;

- xx. a) The company has not transferred the amount in respect of other than ongoing projects to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year till the date of our report. However, the time period for such a transfer has not elapsed till the date of our report.
  - b) There are no amounts remaining unspent pursuant to ongoing projects in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.
- xxi. The Company is not required to prepare consolidated financial statements and therefore, reporting under this clause of the Order is not applicable to the Company.

For **K C Mehta & Co LLP**  
Chartered Accountants  
Firm's Registration No. 106237W/W100829

**Chhaya M. Dave**  
Partner  
Membership No. 100434  
UDIN: 24100434BKBFUZ9741

Place: Vadodara  
Date: May 18, 2024

## **ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT**

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **Chemcon Speciality Chemicals Limited** on the financial statements of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to financial statements of Chemcon Speciality Chemicals Limited (“the Company”) as of March 31, 2024, in conjunction with our audit of the 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 (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the, “Guidance note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to financial statements.

## Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls with reference to financial statements

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, 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 **K C Mehta & Co LLP**

Chartered Accountants

Firm's Registration No. 106237W/W100829

**Chhaya M. Dave**

Partner

Membership No. 100434

UDIN: 24100434BKBFUZ9741

Place: Vadodara  
Date: May 18, 2024

# BALANCE SHEET

As at March 31, 2024

(In ₹ lakhs)

Particular	Note No.	As at March 31, 2024	As at March 31, 2023
<b>I. ASSETS</b>			
<b>Non-Current Assets</b>			
a) Property, Plant & Equipment	2.1	14,647.60	14,137.86
b) Capital Work-in-Progress	2.2	4,244.77	1,364.47
c) Right of Use - Assets	2.3	-	3.88
d) Intangible Assets	2.4	1.42	0.64
e) Financial Assets			
i) Other Financial Assets	3	85.57	8,404.29
f) Non-Current Tax Assets (Net)	26	76.68	-
g) Other Non-Current Assets	4	151.42	289.20
<b>Total Non-Current Assets</b>		<b>19,207.46</b>	<b>24,200.34</b>
<b>Current Assets</b>			
a) Inventories	5	6,161.22	7,904.58
b) Financial Assets			
i) Trade Receivables	6	8,188.14	6,760.33
ii) Cash and Cash Equivalents	7	707.02	4,444.21
iii) Bank balances other than cash and cash equivalents	8	16,350.48	8,637.53
iv) Other Financial Assets	3	957.10	433.66
c) Current Tax Assets (Net)	26	772.72	512.70
d) Other Current Assets	4	2,180.06	2,442.33
<b>Total Current Assets</b>		<b>35,316.74</b>	<b>31,135.34</b>
<b>TOTAL ASSETS</b>		<b>54,524.20</b>	<b>55,335.68</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share Capital	9.1	3,663.07	3,663.07
b) Other Equity	9.2	43,977.78	42,072.84
<b>Total Equity</b>		<b>47,640.85</b>	<b>45,735.91</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	10	41.14	73.16
ii) Lease Liabilities		-	-
iii) Other Financial Liabilities	11	-	82.71
b) Provisions	12	29.67	12.95
c) Deferred Tax Liabilities (Net)	13	442.47	305.55
<b>Total Non-Current Liabilities</b>		<b>513.28</b>	<b>474.37</b>
<b>Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	10	4,232.81	6,324.10
ii) Lease Liabilities		-	4.27
iii) Trade Payables	14		
- Total outstanding dues of micro and small enterprises		12.45	12.01
- Total outstanding dues of creditors other than micro and small enterprises		1,188.63	2,125.53
iv) Other Financial Liabilities	11	552.54	414.47
b) Other current Liabilities	15	359.85	243.10
c) Provisions	12	23.79	1.92
d) Current Tax Liabilities (Net)	26	-	-
<b>Total Current Liabilities</b>		<b>6,370.07</b>	<b>9,125.40</b>
<b>Total Liabilities</b>		<b>6,883.35</b>	<b>9,599.77</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>54,524.20</b>	<b>55,335.68</b>

Accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **K C Mehta & Co LLP**

Chartered Accountants

Firm Registration No: 106237W/W100829

**Chhaya M. Dave**

Partner

Membership No. 100434

Place: Vadodara

Date: May 18, 2024

For and on behalf of the Board of Directors

**CHEMCON SPECIALITY CHEMICALS LIMITED****Kamalkumar Aggarwal**

Chairman &amp; Managing Director

DIN: 00139199

**Rajesh Gandhi**

Whole-time Director and CFO

DIN: 03296784

**Navdeep Goyal**

Deputy Managing Director

DIN: 02604876

**Shahilkumar Kapatel**

Company Secretary

ACS: 52211

# Statement of Profit and Loss

For the year ended March 31, 2024

(In ₹ lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>I. Income</b>			
a) Revenue from Operations	16	26,709.21	30,288.47
b) Other Income	17	1,318.45	1,331.47
<b>Total Income</b>		<b>28,027.66</b>	<b>31,619.94</b>
<b>II. Expenses</b>			
a) Cost of Materials Consumed	18	20,415.25	18,740.68
b) Purchases of Stock-in-Trade		-	33.33
c) Changes in inventories of finished goods and work-in-progress	19	(1,525.07)	(1,199.63)
d) Employee Benefit expenses	20	1,798.10	2,052.11
e) Finance costs	21	349.72	148.86
f) Depreciation and Amortisation expenses	22	1,030.94	837.14
g) Other expenses	23	3,332.96	3,592.31
<b>Total expenses</b>		<b>25,401.90</b>	<b>24,204.79</b>
<b>III. Profit for the year before tax (I-II)</b>		<b>2,625.76</b>	<b>7,415.14</b>
<b>IV. Tax Expense:</b>			
a) Current tax			
- Current tax		614.33	1,743.45
- Taxes for earlier years		(39.29)	5.53
b) Deferred Tax	13	131.42	155.15
<b>Total tax expense</b>		<b>706.46</b>	<b>1,904.14</b>
<b>V. Profit for the year (III-IV)</b>		<b>1,919.30</b>	<b>5,511.01</b>
<b>VI. Other Comprehensive Income (OCI)</b>			
<b>Items that will not be reclassified subsequently to Profit or Loss</b>			
a) Remeasurement of defined benefit Plans		(19.19)	(37.53)
b) Income tax relating to items that will not be reclassified to profit or loss		4.83	9.45
<b>Total Comprehensive Income for the year, Net of Tax</b>		<b>(14.36)</b>	<b>(28.08)</b>
<b>VII. Total Comprehensive Income for the year (V+VI)</b>		<b>1,904.94</b>	<b>5,482.92</b>
<b>VIII. Earnings Per Equity Share</b>	27(a)		
Basic (₹)		5.24	15.04
Diluted (₹)		5.24	15.04

Accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **K C Mehta & Co LLP**

Chartered Accountants

Firm Registration No: 106237W/W100829

For and on behalf of the Board of Directors

**CHEMCON SPECIALITY CHEMICALS LIMITED**

**Chhaya M. Dave**

Partner

Membership No. 100434

**Kamalkumar Aggarwal**

Chairman & Managing Director

DIN: 00139199

**Navdeep Goyal**

Deputy Managing Director

DIN: 02604876

Place: Vadodara

Date: May 18, 2024

**Rajesh Gandhi**

Whole-time Director and CFO

DIN: 03296784

**Shahilkumar Kapatel**

Company Secretary

ACS: 52211

## Statement of Changes in Equity

For the year ended March 31, 2024

### Equity Share Capital

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Equity Share Capital		
Balance at the beginning of the year	3,663.07	3,663.07
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the year	3,663.07	3,663.07
Changes during the year	-	-
<b>Balance at the end of the year</b>	<b>3,663.07</b>	<b>3,663.07</b>

### Other Equity

(In ₹ lakhs)

Particulars	Reserves & Surplus		Total
	Securities Premium	Retained Earning	
<b>Balance as at 31st March 2022</b>	<b>14,720.91</b>	<b>23,334.24</b>	<b>38,055.15</b>
Changes in accounting policy or correction of prior period errors	-	-	-
<b>Restated balance as at 31st March 2022</b>	<b>14,720.91</b>	<b>23,334.24</b>	<b>38,055.15</b>
Profit for the Year	-	5,511.01	5,511.01
Re-measurements of Defined Benefit Plans (Net of Tax)	-	(28.08)	(28.08)
Tax Adjustment on Share issue expenses	-	-	-
Dividend Paid on equity shares	-	(1,465.23)	(1,465.23)
<b>Balance as at 31st March 2023</b>	<b>14,720.91</b>	<b>27,351.93</b>	<b>42,072.84</b>
Changes in accounting policy or correction of prior period errors	-	-	-
<b>Restated balance as at 31st March 2023</b>	<b>14,720.91</b>	<b>27,351.93</b>	<b>42,072.84</b>
Profit for the Year	-	1,919.30	1,919.30
Re-measurements of Defined Benefit Plans (Net of Tax)	-	(14.36)	(14.36)
Tax Adjustment on Share issue expenses	-	-	-
Dividend Paid on equity shares	-	-	-
<b>Balance as at 31st March 2024</b>	<b>14,720.91</b>	<b>29,256.87</b>	<b>43,977.78</b>

Accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **K C Mehta & Co LLP**

Chartered Accountants

Firm Registration No: 106237W/W100829

For and on behalf of the Board of Directors

**CHEMCON SPECIALITY CHEMICALS LIMITED**

**Chhaya M. Dave**

Partner

Membership No. 100434

Place: Vadodara

Date: May 18, 2024

**Kamalkumar Aggarwal**

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**Rajesh Gandhi**

Whole-time Director and CFO

DIN: 03296784

**Navdeep Goyal**

Deputy Managing Director

DIN: 02604876

**Shahilkumar Kapatel**

Company Secretary

ACS: 52211



# Statement of Cash Flows

For the year ended March 31, 2024

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax</b>	<b>2,625.76</b>	<b>7,415.14</b>
<b>Adjustment for:</b>		
Depreciation	1,030.94	837.14
Finance cost	349.72	148.86
Foreign currency unrealised gain (Net)	(14.43)	(57.34)
Interest income	(1,222.84)	(943.65)
(Gain)/Loss on disposal of property, plant and equipment (Net)	(2.71)	(65.34)
<b>Operating Profit before Working Capital Changes</b>	<b>2,766.43</b>	<b>7,334.81</b>
Changes in Trade receivables	(1,412.07)	3,529.47
Changes in Other current assets	262.27	(1,608.54)
Changes in Other financial assets	(516.45)	114.45
Changes in Inventories	1,743.36	(4,442.37)
Changes in Trade payable	(937.22)	(247.90)
Changes in Provisions	19.40	(33.08)
Changes in Other non- current financial liabilities	(82.71)	(124.06)
Changes in Other current financial liabilities	138.07	(296.16)
Changes in Other liabilities	116.75	(738.74)
<b>Cash generated/(used) from Operations</b>	<b>2,097.83</b>	<b>3,487.89</b>
Income tax (paid)/Refund (including TDS) (net)	(901.41)	(2,213.56)
<b>Net Cash generated/(used) from Operating Activities</b>	<b>1,196.42</b>	<b>1,274.33</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment including capital work in progress and capital advance	(4,284.08)	(4,619.71)
Proceeds from sale of property, plant and equipment	6.69	169.08
Decrease/(increase) in bank balances not considered as cash and cash equivalents (net)	(7,712.95)	10,185.18
Term deposits with maturity more than 12 months	8,311.73	(8,312.29)
Interest income	1,222.84	943.65
<b>Net Cash generated/(used) from Investing Activities</b>	<b>(2,455.77)</b>	<b>(1,634.09)</b>

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayment) of short-term Borrowings (Net)	(2,076.25)	2,959.89
Proceeds from long-term borrowings	-	70.00
(Repayment)/Proceeds of/from long-term borrowings	(47.06)	(184.18)
Payments of interest portion of lease liabilities	(0.06)	(2.23)
Payments of principal portion of lease liabilities	(4.27)	(27.55)
Finance cost	(349.66)	(146.62)
Dividend paid	-	(1,465.23)
<b>Net Cash generated/(used) from Financing Activities</b>	<b>(2,477.30)</b>	<b>1,204.08</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(3,736.65)</b>	<b>844.32</b>
Effect of exchange rate changes on cash and cash equivalents	(0.54)	14.66
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>4,444.21</b>	<b>3,585.23</b>
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>707.02</b>	<b>4,444.21</b>

**Footnotes to Cash Flow Statement:**

- The above cash flow statement has been prepared under the indirect method.
- Cash and cash equivalents comprises of:

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance with Banks	702.82	4,439.84
Cash on hand	4.20	4.37
<b>Total</b>	<b>707.02</b>	<b>4,444.21</b>

Accompanying notes are an integral part of these financial statements

As per our report of even date attached

**For K C Mehta & Co LLP**

Chartered Accountants

Firm Registration No: 106237W/W100829

For and on behalf of the Board of Directors

**CHEMCON SPECIALITY CHEMICALS LIMITED**

**Chhaya M. Dave**

Partner

Membership No. 100434

**Kamalkumar Aggarwal**

Chairman & Managing Director

DIN: 00139199

**Navdeep Goyal**

Deputy Managing Director

DIN: 02604876

Place: Vadodara

Date: May 18, 2024

**Rajesh Gandhi**

Whole-time Director and CFO

DIN: 03296784

**Shahilkumar Kapatel**

Company Secretary

ACS: 52211

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

### 1. MATERIAL ACCOUNTING POLICIES

#### A. Corporate Information

Chemcon Speciality Chemicals Limited ("the Company") is a Public limited company incorporated and domiciled in India having its registered office at Block No 355, Manjusar Kunpad Road Vill: Manjusar, Tal:Salvi Baroda Gujarat. The Company is registered with the ROC, Gujarat, Dadra and Nagar Haveli at Ahmedabad under having Corporate Identification number (CIN) L24231GJ1988PLC011652. The shares of the Company are listed on two stock exchanges in India i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

The Company is engaged in the business of manufacturing of speciality chemicals which are used in in Pharmaceutical, Agro-Chemical, Engineering & Oilfield Chemicals (Completion Fluids) industries.

#### B. Basis of preparation and Statement of compliance

##### i. Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules and other relevant provisions of the Act and Rules thereunder, as amended from time to time).

##### ii. Basis of preparation and presentation

The financial statements are prepared on a historical cost basis except for certain assets and liabilities which are measured at fair value at the end of each reporting period as explained in the accounting policies below. These accounting policies have been applied consistently over all periods presented in these financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The financial statements are presented in Indian Rupees which is the functional currency and presentation currency of the Company, and all values are rounded to the nearest Lakhs, except where otherwise indicated.

#### C. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31st March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

**D. Critical accounting judgements, assumptions and Key sources of estimation uncertainty:**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key source of judgments, assumptions and estimates in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives of Property, Plant and Equipment, impairment, employee benefit obligations, provisions, provision for income tax, measurement of deferred tax assets and contingent assets & liabilities.

**i. Critical judgments in applying accounting policies**

The following are the critical judgements, apart from those involving estimations, that the Management have made in the process of applying the Company's accounting policies and that have the significant effect on the amounts recognised in the Financial Statements.

**Determining whether an arrangement contain leases and classification of leases:**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

**Evaluation of indicators for impairment of Property, Plant and Equipment:**

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

**ii. Key sources of estimates and assumptions**

Information about estimates and assumptions that have a significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

**Defined benefit obligation (DBO):**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various

assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for specific countries. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

**Contingent Liabilities and Assets:**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events.

**Impairment of non-financial assets:**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

**Allowance for impairment of trade receivables:**

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

**Useful lives of Property, Plant and Equipment/Intangible Assets:**

Property, Plant and Equipment/ Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting

period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

**Income taxes:**

The Company uses estimates and judgements based on the relevant facts, circumstances, present and past experience, rulings, and new pronouncements while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

**E. Material Accounting Policies:****i. Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**ii. Property Plant and Equipment (PPE)**

Property, Plant & Equipment (PPE) comprises of Tangible assets and Capital Work in progress. PPE are stated at cost, less accumulated depreciation and accumulated impairment losses, if

any, until the date of the Balance Sheet. The cost of PPE comprises of its purchase price or its construction cost (net of eligible applicable tax credit, if any), any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management and decommissioning costs. Direct costs are capitalized until the asset is ready for use and includes borrowing cost capitalized in accordance with the Company's accounting policy.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Depreciation of these PPE commences when the assets are ready for their intended use.

Freehold Land is not depreciated. Depreciation on PPE other than Land has been provided on Straight line method over the useful lives of the assets as per Schedule II to the Companies Act

Useful lives of each class of PPE as prescribed under Part C of Schedule II to the Companies Act, 2013:

<b>Class of Assets</b>	<b>Range of useful life</b>
Building	03 – 60 Years
Plant and Equipment	10 – 20 Years
Furniture and Fixtures	10 Years
Vehicles	08 Years
Office Equipment	05 Years
Computers	03 Years

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

### iii. **Intangible Assets and Amortisation**

Intangible assets with finite useful life acquired separately are recognized only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets including Computer software are amortized on straight-line basis over a period of three years.

The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised in the Statement of Profit and Loss when the asset is derecognised.

**iv. Impairment of tangible assets and intangible assets**

The Company reviews at each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit & Loss. If at the reporting period, there is an indication that there is change in the previously assessed impairment loss, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognized earlier may no longer exist or may have decreased. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset's recoverable amount since the previous impairment loss was recognized. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognized in the Statement of Profit and Loss.

**v. Inventories**

The inventories are valued at cost or net realizable value whichever is lower. The basis of determining the value of each class of inventory is as follows:

<b>Inventories</b>	<b>Cost Formula</b>
Raw material	First in first out basis
Raw Material (Goods in transit)	At invoice value
Work in Progress	Raw material, labour and appropriate proportion of manufacturing expenses and overheads as per stage of completion.



Inventories	Cost Formula
Finished Goods (Including in Transit)	Raw material, labour and appropriate proportion of manufacturing expenses and overheads.
Stores, spares, packing materials	First in first out basis

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realizable value.

#### vi. Revenue recognition

The Company earns revenue primarily from sale of products and sale of services.

##### Sale of Products and Services

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract and represents amounts receivable for goods and services provided in the normal course of business, net off Goods and Services Tax (GST), etc. Any retrospective revision in prices is accounted for in the year of such revision.

##### Interest Income:

Interest on investments is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

##### Export Incentives and Other Income:

Export Incentives and Other Income is recognized on accrual basis except when realisation of such income is uncertain.

##### Insurance Claim:

Insurance and other claims are recognised only when it is reasonably certain that the ultimate collection will be made.

#### vii. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### The Company as a Lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### **viii. Foreign Currency Transactions**

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which the Company operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized 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 translated using closing exchange rate prevailing on the last day of the reporting period.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

Non-monetary items denominated in foreign currency, (such as PPE, capital/revenue advances other than expected to be settled in cash etc.) are recorded at the exchange rate prevailing on the date of the transaction, other than those measured at fair value.

## ix. Employee Benefits

### Short-term employee Benefits

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised, undiscounted, during the period the employee renders services. These benefits include salary, wages, bonus, performance incentives etc.

### Post-Employment Benefits

#### Defined contribution plans:

Contributions to defined contribution schemes such as provident fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

#### Defined benefit plans:

The liabilities towards defined benefit schemes are determined using the Projected Unit Credit method. Actuarial valuations under the Projected Unit Credit method are carried out at the balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise it is amortized on straight-line basis over the remaining average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by plan assets.

#### Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at present value of the defined benefit obligation at the balance sheet date.

#### Remeasurements:

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which it occurs.

Remeasurements are not reclassified to profit or loss in subsequent periods. Remeasurements in respect of other long-term benefits are recognised in the Statement of Profit and Loss.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

Service cost comprising current service cost, past-service cost, gains and losses on curtailments and nonroutine settlements; and Net interest expense or income

Past service cost is recognised in profit or loss on the earlier of; The date of the plan amendment or curtailment, and the date that the Company recognises related restructuring cost

**x. Taxes on Income**

Income tax expense represents the sum of the current tax and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable 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.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with asset will be realised.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**Current and deferred tax expense for the year / period**

Current and deferred tax expense is 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.

**xi. Borrowing Costs**

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings.

General and specific borrowing costs attributable to acquisition and construction of qualifying assets is added to the cost of the assets upto the date the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

## **xii. Provisions, Contingent Liabilities and Contingent Assets**

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. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

## **xiii. Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss. However, Trade receivables that do not contain a significant financing component are measured at transaction price.

### **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

## **FINANCIAL ASSETS**

### **Cash and bank balances**

Cash and bank balances consist of:

Cash and cash equivalents - which includes cash in hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

Other bank balances - which includes balances and deposits with banks that are restricted for withdrawal and usage.

**Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets measured at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition.

**Impairment of financial assets**

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

**De-recognition of financial assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in statement of profit and loss.

**FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS****Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into 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 the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs, if any.

**Financial Liabilities**

Trade and other payables are initially measured at fair value, net of directly attributable costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

**De-recognition of financial liabilities**

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

**Offsetting Financial Instruments**

Financial assets and liabilities are offset, and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously

**xiv. Earnings per share**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving the basic earnings per share and the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**xv. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

**xvi. Cash and Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits, which are subject to insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined above.

**xvii. Segment reporting**

Operating segments are identified and reported taking into account the different risks and returns, the organization structure and the internal reporting systems.

**xviii. Current/non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is Expected to be settled in normal operating cycle
- It is Held primarily for the purpose of trading
- is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash Equivalents. The Company has identified twelve months as its operating cycle.



**2.1 PROPERTY, PLANT & EQUIPMENT**

(In ₹ lakhs)

Particulars	Property, Plant & Equipment								Total	
	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computer			
<b>Gross Carrying Amount</b>										
<b>Carrying amount as at 31 March 2022</b>	<b>1,631.60</b>	<b>2,645.74</b>	<b>5,668.06</b>	<b>200.09</b>	<b>950.70</b>	<b>72.34</b>	<b>28.19</b>		<b>11,196.73</b>	
Additions	2,412.73	562.58	3,669.57	0.19	218.89	8.72	6.35		6,879.02	
Disposals/Adjustments	-	(31.72)	(64.46)	(4.53)	(156.26)	-	-		(256.97)	
<b>Carrying amount as at 31 March 2023</b>	<b>4,044.33</b>	<b>3,176.61</b>	<b>9,273.16</b>	<b>195.75</b>	<b>1,013.33</b>	<b>81.06</b>	<b>34.55</b>		<b>17,818.78</b>	
Additions	1,128.60	113.77	244.99	23.09	11.70	7.67	10.44		1,540.26	
Disposals/Adjustments	-	-	(26.68)	-	-	(0.74)	-		(27.42)	
<b>Carrying amount as at 31 March 2024</b>	<b>5,172.93</b>	<b>3,290.38</b>	<b>9,491.47</b>	<b>218.84</b>	<b>1,025.03</b>	<b>87.99</b>	<b>44.99</b>		<b>19,331.63</b>	
<b>Depreciation</b>										
<b>Accumulated depreciation / Amortisation as at the 31 March 2022</b>	-	<b>331.54</b>	<b>2,172.69</b>	<b>87.32</b>	<b>365.93</b>	<b>43.87</b>	<b>21.10</b>		<b>3,022.43</b>	
Depreciation / Amortisation for the year	-	130.35	531.02	18.16	118.25	9.54	4.39		811.72	
Disposals/Adjustments	-	(9.56)	(52.78)	(4.30)	(86.59)	-	-		(153.23)	
<b>Accumulated depreciation / Amortisation as at 31 March 2023</b>	-	<b>452.33</b>	<b>2,650.93</b>	<b>101.18</b>	<b>397.59</b>	<b>53.41</b>	<b>25.49</b>		<b>3,680.92</b>	
Depreciation / Amortisation for the year	-	137.08	741.16	18.43	114.75	9.42	5.70		1,026.54	
Disposals/Adjustments	-	-	(22.89)	-	-	(0.55)	-		(23.44)	
<b>Accumulated depreciation / Amortisation as at 31 March 2024</b>	-	<b>589.41</b>	<b>3,369.20</b>	<b>119.61</b>	<b>512.34</b>	<b>62.28</b>	<b>31.19</b>		<b>4,684.03</b>	
<b>Net Carrying Amount</b>										
<b>As at March 31, 2023</b>	<b>4,044.33</b>	<b>2,724.28</b>	<b>6,622.24</b>	<b>94.58</b>	<b>615.74</b>	<b>27.65</b>	<b>9.06</b>		<b>14,137.86</b>	
<b>As at March 31, 2024</b>	<b>5,172.93</b>	<b>2,700.97</b>	<b>6,122.27</b>	<b>99.23</b>	<b>512.69</b>	<b>25.71</b>	<b>13.80</b>		<b>14,647.60</b>	

**Notes:**

- The title deeds of all the immovable properties are held in the name of the Company.
- Refer note 10 for information on property, plant and equipment given as security.

## 2.2 CAPITAL WORK-IN-PROGRESS

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Work-in-Progress	4,244.77	1,364.47

### a) Capital Work-in-Progress (CWIP) Ageing Schedule as at March 31, 2024

(In ₹ lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Year	2-3 Year	More than 3 years	
Projects in progress	2,889.62	361.48	993.67	-	4,244.77
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>2,889.62</b>	<b>361.48</b>	<b>993.67</b>	<b>-</b>	<b>4,244.77</b>

### b) Capital Work-in-Progress (CWIP) Ageing Schedule as at March 31, 2023

(In ₹ lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Year	2-3 Year	More than 3 years	
Projects in progress	370.79	993.67	-	-	1,364.47
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>370.79</b>	<b>993.67</b>	<b>-</b>	<b>-</b>	<b>1,364.47</b>

### c) Capital Work-in-Progress (CWIP) whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024

(In ₹ lakhs)

Particulars	To be Completed in				Total
	Less than 1 year	1-2 Year	2-3 Year	More than 3 years	
Project P-10 along with Utility	2,256.22	-	-	-	2,256.22
<b>Total</b>	<b>2,256.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,256.22</b>

The delay in completion of the above project is attributable to product changes required for manufacturing at the P-10 facility.

### d) There are no projects whose completion is overdue or has exceeded the cost compared to its original budget as at March 31, 2023

## 2.3 RIGHT-OF-USE ASSETS

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening Gross Carrying Amount</b>	<b>94.41</b>	<b>130.56</b>
Additions	-	-
Disposals	(94.41)	(36.15)
<b>Closing Gross Carrying Amount</b>	<b>-</b>	<b>94.41</b>
<b>Opening Accumulated depreciation</b>	<b>90.52</b>	<b>83.48</b>
Depreciation for the year	3.88	24.51
Disposals	(94.40)	(17.47)
<b>Closing Accumulated depreciation</b>	<b>-</b>	<b>90.52</b>
<b>Net Carrying Amount</b>	<b>-</b>	<b>3.88</b>

## 2.4 INTANGIBLE ASSETS

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Computer Software</b>		
<b>Opening Gross Carrying Amount</b>	<b>3.59</b>	<b>3.11</b>
Additions	1.30	0.48
Disposals	-	-
<b>Closing Gross Carrying Amount</b>	<b>4.89</b>	<b>3.59</b>
<b>Opening Accumulated amortisation</b>	<b>2.96</b>	<b>2.05</b>
Amortisation for the year	0.51	0.91
Disposals	-	-
<b>Closing Accumulated amortisation</b>	<b>3.47</b>	<b>2.96</b>
<b>Net Carrying Amount</b>	<b>1.42</b>	<b>0.64</b>

### 3. OTHER FINANCIAL ASSETS

(In ₹ lakhs)

Particulars	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, Considered Good)</b>				
<b>(At amortised cost)</b>				
Security deposits	85.01	92.00	6.99	-
Bank deposits with more than 12 months maturity				
- Earmarked *	0.56	7,312.29	-	-
- Others	-	1,000.00	-	-
Others:				
Interest accrued on loans and deposits	-	-	928.51	413.39
Export benefit receivable	-	-	21.58	20.23
Other receivables	-	-	0.02	0.04
<b>Total</b>	<b>85.57</b>	<b>8,404.29</b>	<b>957.10</b>	<b>433.66</b>

\* The Company has Lien above deposits with the bank as margin money for Bank guarantee, Letter of Credit, Working capital facility, Term Loan and Overdraft against Fixed deposit facility.

### 4. OTHER ASSETS

(In ₹ lakhs)

Particulars	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, Considered Good)</b>				
	151.42	289.20	-	-
Capital advances	-	-	4.15	6.29
Advances to employees	-	-	96.99	357.52
Advances to suppliers				
Others				
Balance with government authorities	-	-	1,997.07	2,001.81
Prepaid expenses	-	-	81.85	76.71
<b>Total</b>	<b>151.42</b>	<b>289.20</b>	<b>2,180.06</b>	<b>2,442.33</b>

## 5. INVENTORIES

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Valued at lower of Cost and net Realisable value)</b>		
Raw Materials	1,906.48	3,503.67
Goods in Transit (Raw Materials)	156.99	1,804.12
Packing Material	22.71	34.71
Work-in-progress	453.56	635.75
Finished goods	3,206.90	1,194.13
Goods in Transit (Finished goods)	83.60	389.12
Other (Fuel)	24.94	15.83
Consumables and Stores	306.04	327.25
<b>Total</b>	<b>6,161.22</b>	<b>7,904.58</b>

### FOOTNOTES:

- i) Refer note 10 for information on Inventories given as security.
- ii) Carrying value as at March 31, 2024 of Raw Materials is net of provision of Rs. 0.13 lakhs (PY Rs. 0.13Lakhs) towards slow moving and non-moving stock and is included in cost of material consumed in Statement of Profit and Loss.
- iii) Carrying value as at March 31, 2024 of Finished goods is net of provision of Rs. 6.83 lakhs (PY Rs. 58.93 Lakhs) towards slow moving and non-moving stock and is included in changes in inventories in Statement of Profit and Loss.

## 6. TRADE RECEIVABLES

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Trade receivables *</b>		
Considered good - Secured	-	-
Considered good - Unsecured	8,200.69	6,772.88
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables – credit impaired	-	-
Less: Impairment provision on expected credit loss model	(12.55)	(12.55)
<b>Total</b>	<b>8,188.14</b>	<b>6,760.33</b>

**\* Trade receivables include:**

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Due by company in which directors are directors	0.27	-
Due by firm in which directors are Partners	234.70	155.80
Due by company in which relative of directors are Partners	9.08	32.90
<b>Total</b>	<b>244.05</b>	<b>188.70</b>

(a) The company has used a practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit loss experience and future foreseeable credit loss and accordingly, provisions are made for expected credit loss for amounts due from customers where necessary.

**Trade Receivable Ageing Schedule as at March 31, 2024**

(In ₹ lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Months	6 Months -1 Year	1-2 Year	2-3 Year	More than 3 years	
Undisputed Trade receivables - considered good	1,782.86	3,894.12	2,370.26	143.83	9.62	-	8,200.69
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>1,782.86</b>	<b>3,894.12</b>	<b>2,370.26</b>	<b>143.83</b>	<b>9.62</b>	<b>-</b>	<b>8,200.69</b>
Less: Impairment provision on expected credit loss model							(12.55)
<b>Total</b>							<b>8,188.14</b>

## Trade Receivable Ageing Schedule as at March 31, 2023

(In ₹ lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Months	6 Months -1 Year	1-2 Year	2-3 Year	More than 3 years	
Undisputed Trade receivables - considered good	3,560.85	2,634.70	141.39	435.94	-	-	6,772.88
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>3,560.85</b>	<b>2,634.70</b>	<b>141.39</b>	<b>435.94</b>	<b>-</b>	<b>-</b>	<b>6,772.88</b>
Less: Impairment provision on expected credit loss model							(12.55)
<b>Total</b>							<b>6,760.33</b>

## 7. CASH AND CASH EQUIVALENTS

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance with Banks	702.82	4,439.84
Cash in hand	4.20	4.37
<b>Total</b>	<b>707.02</b>	<b>4,444.21</b>

## 8. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
In CSR Unspent Account (earmarked for CSR spend)	5.00	5.00
In Unpaid dividend Accounts (earmarked for Dividend)	0.66	0.66
Short-term bank deposit (Earmarked) *	14,743.82	7,027.35
Short-term bank deposit	1,601.00	1,604.52
<b>Total</b>	<b>16,350.48</b>	<b>8,637.53</b>

\*The Company has Lien above deposits with the bank as margin money for Bank guarantee, Letter of Credit, Working capital facility, Term Loan and Overdraft against Fixed deposit facility.

## 9.1. EQUITY SHARE CAPITAL

(In ₹ lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
<b>Authorised share capital</b>				
Equity share of Rs 10/- each	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Issued, subscribed and fully paid-up share capital Rs 10/- each	3,66,30,701	3,663.07	3,66,30,701	3,663.07
<b>Reconciliation of the number of Equity shares</b>				
<b>Equity Share Capital</b>				
Balance at the beginning of the year	3,66,30,701	3,663.07	3,66,30,701	3,663.07
Changes in equity share capital during the year				
Add/(Less): Increase/Decrease in number of share	-	-	-	-
<b>Balance at the end of the reporting year</b>	<b>3,66,30,701</b>	<b>3,663.07</b>	<b>3,66,30,701</b>	<b>3,663.07</b>

### FOOTNOTES:

#### Rights, Preferences & Restrictions of each class of shares

- The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date.
- In the event of liquidation of the Company, the holders of the 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.

#### Particulars of shares issued/allotted as fully paid-up by way of consideration other than cash during the period of five years immediately preceding the reporting date

- The Company had allotted 238.33 Lakhs number of fully paid Bonus shares on November 3, 2018, in the ratio of three equity share of Rs. 10 each fully paid up for everyone existing equity shares of Rs. 10 each fully paid up.



**Details of Equity Shareholders holding more than 5% shares in the company:**

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Shares	%	No of Shares	%
Kamal Rajendra Aggarwal	96,77,080	26.42%	96,77,080	26.42%
Naresh Vijaykumar Goyal	30,35,826	8.29%	30,35,826	8.29%
Navdeep Goyal & Shubharangana Goyal *	62,33,500	17.02%	62,33,500	17.02%
Rajveer Kamal Aggarwal	25,32,800	6.91%	25,32,800	6.91%
Shubharangana Naresh Goyal	19,78,888	5.40%	19,78,888	5.40%
Navdeep Naresh Goyal	23,74,666	6.48%	23,74,666	6.48%
Kamal Aggarwal & Rajveer Aggarwal *	5,10,000	1.39%	5,10,000	1.39%
<b>Total</b>	<b>2,63,42,760</b>	<b>71.91%</b>	<b>2,63,42,760</b>	<b>71.91%</b>

\* Joint Holding

**Details of Equity Shareholders holding of Promoters**

Particulars	As at March 31, 2024			As at March 31, 2023		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Kamal Rajendra Aggarwal	96,77,080	26.42%	0.00%	96,77,080	26.42%	0.00%
Navdeep Goyal & Shubharangana Goyal *	62,33,500	17.02%	0.00%	62,33,500	17.02%	0.00%
Shubharangana Naresh Goyal	19,78,888	5.40%	0.00%	19,78,888	5.40%	0.00%
Navdeep Naresh Goyal	23,74,666	6.48%	0.00%	23,74,666	6.48%	0.00%
Kamal Aggarwal & Rajveer Aggarwal *	5,10,000	1.39%	0.00%	5,10,000	1.39%	0.00%
<b>Total</b>	<b>2,07,74,134</b>	<b>56.71%</b>		<b>2,07,74,134</b>	<b>56.71%</b>	

\* Joint Holding

**9.2. OTHER EQUITY**

(In ₹ lakhs)

Particulars	Reserves & Surplus		Total
	Securities Premium	Retained Earning	
<b>Balance as at March 31, 2022</b>	<b>14,720.91</b>	<b>23,334.24</b>	<b>38,055.15</b>
Profit for the Year	-	5,511.01	5,511.01
Re-measurements of Defined Benefit Plans (Net of Tax)	-	(28.08)	(28.08)

Tax Adjustment on Share issue expenses*	-	-	-
Dividend Paid on equity shares	-	(1,465.23)	(1,465.23)
<b>Balance as at March 31, 2023</b>	<b>14,720.91</b>	<b>27,351.93</b>	<b>42,072.84</b>
Profit for the Year	-	1,919.30	1,919.30
Re-measurements of Defined Benefit Plans (Net of Tax)	-	(14.36)	(14.36)
Tax Adjustment on Share issue expenses *	-	-	-
Dividend Paid on equity shares	-	-	-
<b>Balance as at March 31, 2024</b>	<b>14,720.91</b>	<b>29,256.87</b>	<b>43,977.78</b>

<b>Nature and purpose of each component of equity</b>	<b>Nature and Purpose</b>
Securities premium	These reserves are created by the company on premium arising out of public issue adjusted against all issue related expenses. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
Retained earnings	Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
Remeasurements of defined benefit plans	Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

## 10. BORROWINGS

(In ₹ lakhs)

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>Non-Current</b>		
<b>Secured</b>		
Term loans		
- from banks and financial institutions	41.14	73.16
<b>Sub - Total</b>	<b>41.14</b>	<b>73.16</b>
<b>Current</b>		
<b>Secured</b>		
Current maturities of long-term debt	32.02	47.06
Loans from banks Repayable on Demand		
- Overdraft against Fixed deposits	4,200.79	6,277.04
<b>Sub - Total</b>	<b>4,232.81</b>	<b>6,324.10</b>
<b>Total</b>	<b>4,273.95</b>	<b>6,397.26</b>

## Non-Current Borrowings

### Nature of security for long term secured borrowings including current maturities:

(In ₹ lakhs)

Particular	Nature of Security	Current maturities of loan		Amount of loan outstanding	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Term Loan</b>					
<b>A. HDFC Bank Limited</b>					
Vehicle Loan - I	Loans is secured by hypothecation of the respective vehicle	-	6.37	-	6.37
Vehicle Loan - II	Loans is secured by hypothecation of the respective vehicle	8.02	7.48	11.53	19.01
Vehicle Loan - III	Loans is secured by hypothecation of the respective vehicle	8.02	7.48	11.53	19.01
Property Loan	Property Loan secured by way of Equitable Mortgage of property	-	8.12	-	8.12
<b>B. Bank of Baroda Bank</b>					
Vehicle Loan - I	Loans is secured by hypothecation of the respective vehicle	13.76	12.82	47.18	60.00
<b>C. Kotak Mahindra Prime Ltd</b>					
Vehicle Loan - I	Loans is secured by hypothecation of the respective vehicle	2.21	4.80	2.92	7.72
<b>Total</b>		<b>32.02</b>	<b>47.06</b>	<b>73.16</b>	<b>120.22</b>

### The terms of repayment of the above loans are as follows:

Particulars	Rate of Interest	No of Monthly Instalments	Maturity Date	No. of Instalments due after balance sheet date	
				As at March 31, 2024	As at March 31, 2023
<b>Term Loan</b>					
<b>A. HDFC Bank Limited</b>					
Vehicle Loan - I	8.50%	60.00	05-08-2023	-	5.00
Vehicle Loan - II	7.05%	48.00	07-08-2025	17.00	29.00

Vehicle Loan - III	7.05%	48.00	07-08-2025	17.00	29.00
Property Loan	12.00%	120.00	07-07-2023	-	4.00
<b>B. Bank of Baroda Bank</b>					
Vehicle Loan - I	7.15%	60.00	04-05-2027	38.00	50.00
<b>C. Kotak Mahindra Prime Limited</b>					
Vehicle Loan - I	Variable	60.00	01-09-2025	18.00	30.00

### Current Borrowings

#### 1. HDFC Bank Cash Credit Loan, working capital demand loan, Buyer Credit Loan and Export Packing Credit Loan:

The rate of interest for cash credit is 1-year MCLR plus Nil Spread [March 31, 2023: 8.70% p.a. linked to Repo rate (4%) reset quarterly].

#### Primary Security:

First and exclusive hypothecation charge on entire current assets of the company both present and future.

#### Secondary Collateral

**Factory Land & Building:** First and exclusive charge on entire land and hypothecation charge on building and entire movable fixed assets at 1. 901 & 902, 9th Floor, ONYX Business Center, Akshar Chowk - Baroda -390020; 2. Block No: 355, 357, 357/1, 358, 359 Manjusar, Tal : Savli, Vadodara.

**Residential Property:** First and exclusive charge on 1) Residential Property of Kamal Aggarwal at flat no 1, Heritage Corner, New Alkapuri Sevasi Road, Vadodara. 2) Residential Property of Naresh Goyal at flat no 4, Heritage Corner, New Alkapuri Sevasi Road, Vadodara and First and exclusive hypothecation charge on entire movable fixed assets.

**Fixed Deposits:** First and exclusive charge created lien over Fixed Deposit of Rs. 990 Lakhs.

**Personal Guarantee:** Personal guarantee of Mr. Kamal Aggarwal.

#### 2. Overdraft against Fixed deposits

The rate of interest for Overdraft against Fixed deposits is Weighted average FD rate + 0.50% [March 31, 2023: Weighted average FD rate + 0.50%].

Overdraft against Fixed deposit repayable on demand from HDFC banks is secured against 1st Exclusive charge by the way of lien over fixed Deposits upto 110% of the limit amount parked with HDFC Bank Limited.

## 11. OTHER FINANCIAL LIABILITIES

(In ₹ lakhs)

Particulars	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Unclaimed dividends	-	-	0.66	0.66
<b>Others:</b>				
Employee related payable	-	-	190.81	217.21
Liabilities for expenses	-	-	50.29	54.21
Capital creditors	-	82.71	310.78	142.40
<b>Total</b>	<b>-</b>	<b>82.71</b>	<b>552.54</b>	<b>414.47</b>

## 12. PROVISIONS

(In ₹ lakhs)

Particulars	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits				
Gratuity	12.52	-	22.37	0.27
Leave benefits	17.15	12.95	1.42	1.65
<b>Total</b>	<b>29.67</b>	<b>12.95</b>	<b>23.79</b>	<b>1.92</b>

## 13. DEFERRED TAX LIABILITIES - (NET)

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	486.92	363.83
Deferred tax assets	(44.45)	(58.28)
<b>Total</b>	<b>442.47</b>	<b>305.55</b>

### Movement in deferred tax Liabilities/(assets)

(In ₹ lakhs)

Particulars	As at March 31, 2023	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Recognised in Equity	As at March 31, 2024
<b>Deferred tax assets/(liabilities) in relation to:</b>					
Expenses allowed on payment basis	3.74	4.88	4.83	-	13.45
Depreciation and amortisation	(363.83)	(123.09)	-	-	(486.92)
Right-of-use and lease liability	0.10	(0.10)	-	-	-

Provision for doubtful debts	3.16	-	-	-	3.16
Provision for slow moving and non-moving inventory	14.86	(13.11)	-	-	1.75
On Account of Preliminary Expenses	36.42	-	-	(10.33)	26.09
<b>Total</b>	<b>(305.55)</b>	<b>(131.42)</b>	<b>4.83</b>	<b>(10.33)</b>	<b>(442.47)</b>

(In ₹ lakhs)

<b>Deferred tax assets/(liabilities) in relation to:</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>
Expenses allowed on payment basis	13.45	-	13.45
Depreciation and amortisation	-	(486.92)	(486.92)
Right-of-use and lease liability	-	-	-
Provision for doubtful debts	3.16	-	3.16
Provision for slow moving and non-moving inventory	1.75	-	1.75
On Account of Preliminary Expenses	26.09	-	26.09
<b>Total</b>	<b>44.45</b>	<b>(486.92)</b>	<b>(442.47)</b>

(In ₹ lakhs)

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>Recognised in the Statement of Profit and Loss</b>	<b>Recognised in Other Comprehensive Income</b>	<b>Recognised in Equity</b>	<b>As at March 31, 2023</b>
<b>Deferred tax assets/(liabilities) in relation to:</b>					
Expenses allowed on payment basis	(3.12)	(2.58)	9.45	-	3.74
Depreciation and amortisation	(266.25)	(97.58)	-	-	(363.83)
Right-of-use and lease liability	1.04	(0.94)	-	-	0.10
Provision for doubtful debts	3.16	-	-	-	3.16
Provision for slow moving and non-moving inventory	68.91	(54.05)	-	-	14.86
On Account of Preliminary Expenses	166.42	-	-	(130.00)	36.42
<b>Total</b>	<b>(29.84)</b>	<b>(155.15)</b>	<b>9.45</b>	<b>(130.00)</b>	<b>(305.55)</b>

(In ₹ lakhs)

<b>Deferred tax assets/(liabilities) in relation to:</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>
Expenses allowed on payment basis	3.74	-	3.74
Depreciation and amortisation	-	(363.83)	(363.83)
Right-of-use and lease liability	0.10	-	0.10
Provision for doubtful debts	3.16	-	3.16
Provision for slow moving and non-moving inventory	14.86	-	14.86
On Account of Preliminary Expenses	36.42	-	36.42
<b>Total</b>	<b>58.28</b>	<b>(363.83)</b>	<b>(305.55)</b>

**14. TRADE PAYABLES**

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Trade Payables</b>		
Outstanding dues of micro and small enterprises	12.45	12.01
Outstanding dues of creditors other than micro and small enterprises	1,188.63	2,125.53
<b>Total</b>	<b>1,201.08</b>	<b>2,137.54</b>

**Trade Payables Ageing Schedule as at March 31, 2024**

(In ₹ lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 Year	2-3 Year	More than 3 years	
i) MSME	12.45	-	-	-	-	12.45
ii) Others	891.96	293.95	0.39	2.33	-	1,188.63
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>904.41</b>	<b>293.95</b>	<b>0.39</b>	<b>2.33</b>	<b>-</b>	<b>1,201.08</b>

**Trade Payables Ageing Schedule as at March 31, 2023**

(In ₹ lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 Year	2-3 Year	More than 3 years	
i) MSME	12.01	-	-	-	-	12.01
ii) Others	1,612.70	456.56	0.90	0.90	3.00	2,074.06
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	51.47	51.47
<b>Total</b>	<b>1,624.71</b>	<b>456.56</b>	<b>0.90</b>	<b>0.90</b>	<b>54.47</b>	<b>2,137.54</b>

## 15. OTHER LIABILITIES

(In ₹ lakhs)

Particulars	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Advance from Customers	-	-	208.58	96.12
Statutory dues	-	-	49.45	69.97
CSR unspent to be deposited in Fund	-	-	101.82	77.01
<b>Total</b>	-	-	<b>359.85</b>	<b>243.10</b>

## 16. REVENUE FROM OPERATIONS

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from operations</b>		
Sale of Products	25,462.45	29,035.66
Sale of services	1,083.97	1,087.84
Other operating revenues		
Export Incentives	134.55	93.93
Other	28.24	71.04
<b>Total</b>	<b>26,709.21</b>	<b>30,288.47</b>

Footnote:

(a) Refer note 27(f) for geographical disaggregation of the revenue.

## 17. OTHER INCOME

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income	1222.84	943.65
Net gain on Foreign Currency Transactions	42.11	320.60
Gain on disposal of property, plant and equipment (Net)	2.71	65.34
Balances Written Back (Net)	50.79	-
Other Non-operating Income	-	1.88
<b>Total</b>	<b>1,318.45</b>	<b>1,331.47</b>



## 18. COST OF MATERIALS CONSUMED

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Raw materials and packing materials consumed</b>		
Opening stock of raw materials	5,342.51	2,363.91
Purchases during the year	17,158.92	21,719.28
Closing stock of raw materials	(2,086.18)	(5,342.51)
<b>Total</b>	<b>20,415.25</b>	<b>18,740.68</b>

## 19. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock:		
Finished goods	1,583.25	690.77
Work-in-progress	635.75	328.60
<b>Sub- Total (A)</b>	<b>2218.99</b>	<b>1,019.36</b>
<b>Less: Closing Stock:</b>		
Finished goods	3,290.50	1,583.25
Work-in-progress	453.56	635.75
<b>Sub- Total (B)</b>	<b>3,744.06</b>	<b>2,218.99</b>
<b>Total (A-B)</b>	<b>(1,525.07)</b>	<b>(1,199.63)</b>

## 20. EMPLOYEE BENEFIT EXPENSES

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	1,676.03	1,907.29
Contribution to provident, gratuity and other funds	82.16	71.25
Staff welfare expenses	39.91	73.57
<b>Total</b>	<b>1,798.10</b>	<b>2,052.11</b>

## 21. FINANCE COSTS

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on borrowings	344.62	130.84
Interest on Lease Liabilities	0.06	2.23

Interest on others *	0.82	10.30
Other Borrowing Cost	4.22	5.49
<b>Total</b>	<b>349.72</b>	<b>148.86</b>

Interest on others include interest on shortfall in payment of advance income-tax Rs. 0.00 (March 31, 2023, Rs. 5.59 Lakhs).

## 22. DEPRECIATION AND AMORTISATION EXPENSES

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment	1,026.55	811.72
Depreciation of right- of -use assets	3.88	24.51
Amortisation of intangible assets	0.51	0.91
<b>Total</b>	<b>1,030.94</b>	<b>837.14</b>

## 23. OTHER EXPENSES

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Stores and spares consumed	352.19	261.21
Power and fuel	1,248.74	1,201.57
Pollution Control Exp	257.95	227.73
Job work Charges	35.02	66.42
Freight and forwarding	410.14	642.56
Rent	53.45	41.01
Rates and taxes	4.31	4.59
Insurance expenses	83.73	69.86
Legal and professional fees	123.27	125.22
Printing and stationery	12.51	8.24
<b>Repairs and Renewals:</b>		
Buildings	50.76	47.10
Plant and machinery	70.76	90.73
Other assets	107.97	79.79
Travelling and conveyance	67.83	55.77
Communication expenses	12.00	9.47
Vehicle expenses	41.26	51.96

<b>Auditor's Remuneration:</b>		
Statutory audit fees	9.50	9.50
For other services	-	0.20
Director's sitting fee	2.15	2.28
Sales promotion expenses	68.39	36.12
Bad debts written-off	16.97	0.99
Donation	9.18	13.71
Corporate social responsibility expense	155.43	148.67
Security expenses	37.61	30.07
Commission	22.30	304.57
Laboratory expenses	14.48	9.95
Impairment and write off/(back)	-	3.42
Miscellaneous expenses*	65.06	49.60
<b>Total</b>	<b>3,332.96</b>	<b>3,592.31</b>

\* None of items individually accounts for more than 1% of the revenue or 10,00,000 whichever is higher.

## 24. CAPITAL MANAGEMENT

The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual planning and budgeting and its plan for working capital and long-term borrowings. The funding requirements are met through equity, internal accruals and a combination of both long-term and short-term borrowings.

(In ₹ lakhs)

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Gross Debt (Long-term and Short-term borrowings) (A)	4,273.95	6,397.26
Total Equity (B)	47,640.85	45,735.91
<b>Net Debt to Equity Ratio (A/B)</b>	<b>0.09</b>	<b>0.14</b>

## 25. DISCLOSURE ON FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in notes to the financial statements.

## A. Accounting classification and fair values

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities:

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Assets</b>		
<b>Financial Assets</b>		
<b>At Amortised Cost</b>		
Other Financial Assets (Non-Current and Current)	1,042.67	8,837.95
Trade Receivables	8,188.14	6,760.33
Cash and cash Equivalents	707.02	4,444.21
Other Bank balance	16,350.48	8,637.53
<b>Total</b>	<b>26,288.31</b>	<b>28,680.03</b>
<b>Liabilities</b>		
<b>Financial Liabilities</b>		
<b>At Amortised Cost</b>		
Borrowings (Non-Current and Current)	4,273.95	6,397.26
Trade Payables	1,201.08	2,137.54
Other Financial Liabilities (Non-Current and Current)	552.54	497.18
Lease Liabilities	-	4.27
<b>Total</b>	<b>6,027.57</b>	<b>9,036.24</b>

There have been no transfers between level 1, level 2 and level 3 for the year ended March 31, 2024, and year ended March 31, 2023.

The short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.

## B. Financial Risks Management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

These risks may be caused by the internal and external factors resulting into impairment of the assets of the Company causing adverse influence on the achievement of Company's strategies, operational and financial objectives, earning capacity and financial position.

The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the board of directors. The risk management framework aims to:

- (a) Create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.
- (b) Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

**a) MARKET RISK**

Market risk is the risk that changes in market prices- such as foreign exchange rates, interest rates and equity prices- will affect the Company's income or the value of its holdings of financial instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return. The major components of market risk are foreign currency risk, interest rate risk and price risk.

**i) Interest rate risks**

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

The Company is subject to variable interest rates on some of its interest-bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day-to-day operations like short-term loans.

As at March 31, 2024, financial liability of Rs. 4,200.79 Lakhs (PY Rs. 6,277.04 Lakhs), was subject to variable interest rates. Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in decrease/increase in profit/(loss) before tax of Rs. 42.01 Lakhs (PY Rs. 62.77 Lakhs) for the year ended March 31, 2024.

The model assumes that interest rate changes are instantaneous parallel shifts in the yield curve. Although some assets and liabilities may have similar maturities or periods to re-pricing, these may not react correspondingly to changes in market interest rates. Also, the interest rates on some types of assets and liabilities may fluctuate with changes in market interest rates, while interest rates on other types of assets may change with a lag.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the year.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(Note: The impact is indicated on the profit/(loss) before tax basis).

**ii) foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial Assets</b>		
Trade receivables	1,036.08	2,483.65
<b>Financial Liabilities</b>		
Trade payables	226.39	584.88

#### Foreign Currency Sensitivity:

The Company is principally exposed to foreign currency risk against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR, EURO-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Assets:</b>		
Weakening of INR by 5%	51.80	124.18
Strengthening of INR by 5%	(51.80)	(124.18)
<b>Liabilities:</b>		
Weakening of INR by 5%	(11.32)	(29.24)
Strengthening of INR by 5%	11.32	29.24

#### b) CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, trade receivables and loans and advances.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

As at March 31, 2024, the Company had 3 customers (PY: 6 customers) having outstanding more than 5% of total trade receivables that accounted for approximately 59.18% (PY: 54.89%) of total trade receivables outstanding.

### Trade and other receivables

Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis.

Our historical experience of collecting receivables indicate a low credit risk. Hence, trade receivables are considered to be a single class of financial assets.

### c) LIQUIDITY RISK

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

(In ₹ lakhs)

Particulars	As at	Total Amount	Less than 1 year	Above 1 Years
<b>Borrowings</b>				
	31-Mar-24	4,273.95	4,232.81	41.14
	31-Mar-23	6,397.26	6,324.10	73.16
<b>Trade payable</b>				
	31-Mar-24	1,201.08	1,201.08	-
	31-Mar-23	2,137.54	2,137.54	-
<b>Other Financial Liability</b>				
	31-Mar-24	552.54	552.54	-
	31-Mar-23	497.18	414.47	82.71
<b>Lease Liabilities</b>				
	31-Mar-24	-	-	-
	31-Mar-23	4.27	4.27	-

## 26. INCOME TAXES

### a) Income tax expense recognised in the Statement of Profit and Loss:

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current tax</b>		
Current tax on profit for the year	614.33	1,743.45

Adjustments for current tax of prior periods	(39.29)	5.53
Total current tax expense (A)	575.04	1,748.99
Total deferred tax expense   (benefit) (B)	131.42	155.15
<b>Total tax expense (A+B)</b>	<b>706.46</b>	<b>1,904.14</b>

**b) Income tax expense recognised in the other comprehensive income (OCI):**

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Deferred tax</b>		
on remeasurements of defined benefit plans	(4.83)	(9.45)
<b>Total tax expense</b>	<b>(4.83)</b>	<b>(9.45)</b>

**c) Income tax expense recognised in the Other Equity:**

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current tax</b>		
Expense   (benefit) on Share Issue Expenses	(10.33)	(130.00)
<b>Deferred tax</b>		
Decrease   (Increase) in deferred tax assets on Share Issue Expenses	10.33	130.00
<b>Total tax expense</b>	<b>-</b>	<b>-</b>

**d) The Income Tax Expense for the Year can be Reconciled to the Accounting Profit as Follows:**

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Profit before tax from continuing operations</b>	<b>2,625.76</b>	<b>7,415.14</b>
At India's statutory income tax rate of 25.17% (31 March 2023: 25.17%)	660.85	1,866.24
Effect of expenses not deductible for tax computation	44.00	42.82
Effect of recognition of Prior year income tax and Deferred tax	10.21	5.53
Changes in recognised deductible temporary differences	-	-
Other Adjustments	(8.60)	(10.46)
<b>Income Tax recognised in Statement of Profit and Loss</b>	<b>706.46</b>	<b>1,904.14</b>
Effective tax Rate	26.90%	25.68%



**e) Tax assets**

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	512.70	69.79
Income tax paid/(Refund) (including Advance Tax, TDS, TCS) (Net)	901.40	2,056.41
Income tax payable for the year	(604.00)	(1,613.45)
Income tax provision Reversal/(Charge) of earlier years	39.30	(0.05)
<b>Net income tax assets at the end</b>	<b>849.40</b>	<b>512.70</b>
- Non-Current	76.68	-
- Current	772.72	512.70

**f) Tax liabilities**

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	-	151.67
Income tax (paid)/Refund (including Advance Tax, TDS, TCS) (Net)	-	(162.72)
Income tax payable for the year	-	-
Income tax provision (Reversal)/Charge of earlier years	-	11.05
<b>Net income tax liabilities at the end</b>	<b>-</b>	<b>-</b>
- Non-Current	-	-
- Current	-	-

**27. ADDITIONAL/EXPLANATORY INFORMATION**
**a) Earnings per Share**

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit attributable to equity holders of the Company	1,919.30	5,511.01
Weighted average number of equity shares for the purpose of calculation of earnings per share	3,66,30,701	3,66,30,701
<b>Earnings Per Share</b>		
(Equity Shares, Par Value of Rs. 10/- each)		
Basic (in ₹)	5.24	15.04
Diluted (in ₹)	5.24	15.04

**b) Disclosures under the micro, small and medium enterprises development act, 2006 ('MSMED'):**

The details of liabilities to micro and small enterprises, to the extent information available with the Company are given under:

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Principal amounts remaining unpaid to suppliers as at the end of the accounting year		
Trade Payable	12.45	12.01
Capital creditors	1.52	7.06
(ii) Interest accrued and due to suppliers on above amount, unpaid	-	-
(iii) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	0.07	0.78
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.07	0.78
(vi) The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	0.85	0.78

Dues to MSME have been determined to the extent such parties have been identified on the basis of information certified by the management.

The company has made payments to Micro and small suppliers amongst which to few suppliers are beyond the stipulated payments terms as prescribed under Micro, Small and Medium Enterprises Development Act, 2006. Since these Micro and small suppliers receive payments as per mutually agreed payments terms, none of the suppliers has claimed any interest from the company for payments made beyond stipulated period. For Micro and small suppliers, the amount of interest on principal amounts calculated for the year as per MSMED Act, 2006 comes to Rs. 0.07 lakhs (PY 0.78 Lakhs), for which no provision has been made in books of account, the amount being immaterial.

**c) Disclosure required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and section 186(4) of the Companies Act, 2013:**

1. Amount of Loans and advances in the nature of loans outstanding from subsidiaries Rs Nil (Previous Year Rs Nil)
2. Loans to employees have been considered to be outside the purview of disclosure requirements.

3. Investment by Loanee in the shares of the Company- Not applicable (Previous Year Not applicable)

**d) Disclosures as per IND AS - 19 - Employee Benefits**

**1. Defined contribution plans**

Contribution are made to statutory provident fund which covers all regular employees. While both the employees and the company make predetermined contributions to the Provident fund. The contributions are normally based on a certain percentage of the employee's salary.

The Company has recognised expenses towards defined contribution plan as under:

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Employer's contribution to provident fund (Refer footnote 1)	46.37	44.21

**Footnote:**

- 1) Included in "Contribution to provident, gratuity and other funds" (Note 20).

**2. Defined benefit plans**

The Company has defined benefit plans that provide gratuity benefit. It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age. The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2024 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. Each year, the Company reviews the level of funding in gratuity fund. The Company decides its contribution based on the results of its review.

The valuation results for the defined benefit gratuity plan (Funded) are produced in the tables below:

**i) Changes in the present value of obligation**

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Present value of obligation as at the beginning</b>	193.42	128.21
Current service cost	27.10	20.47
Interest expense or cost	13.89	9.57
Actuarial losses/(gains)	19.74	35.80
Past service cost	-	-
Benefits paid	(2.00)	(0.62)
<b>Present value of obligation as at the end</b>	<b>252.15</b>	<b>193.42</b>

**ii) Changes in the fair value of plan assets**

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Fair value of plan assets as at the beginning</b>	193.15	151.03
Expected Interest income of assets	14.29	12.47
Actuarial Gain/(Loss)	0.54	(1.73)
Employer's contribution	11.28	32.01
Benefits paid	(2.00)	(0.62)
<b>Fair value of plan assets as at the end</b>	<b>217.26</b>	<b>193.15</b>

**iii) Movement in net (Liability)/Asset recognized in Balance Sheet**

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>As at the beginning of the year - (Liability)/Asset</b>	(0.27)	22.82
Expenses recognized during the year in Statement of Profit and Loss	(26.70)	(17.57)
Expenses recognized during the year in OCI	(19.19)	(37.53)
Contribution by employer	11.28	32.01
<b>As at the end of the year - (Liability)/Asset</b>	<b>(34.88)</b>	<b>(0.27)</b>
- Non-Current	(12.51)	(0.00)
- Current	(22.37)	(0.27)

**iv) Expenses recognised in the income statement**

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	27.10	20.47
Net interest cost / (income) on the net defined benefit liability / (asset)	(0.40)	(2.90)
Expenses recognized during the year	<b>26.70</b>	<b>17.57</b>

**v) Other comprehensive income**

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (gains) / losses	19.74	35.80
Return on plan assets excluding interest income	(0.55)	1.73
<b>Net (Income)/Expenses For the year Recognised in OCI</b>	<b>19.19</b>	<b>37.53</b>

**vi) Major categories of plan assets (as percentage of total plan assets)**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Funds managed by insurer - Life Insurance Corporation of India	100%	100%

**vii) Actuarial assumptions**
**a. Financial assumptions**

The principal financial assumptions used in the valuation are shown in the table below:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate (per annum)	7.22%	7.55%
Salary growth rate	11.67%	10.00%

**b. Demographic Assumptions**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Indian Assured Lives Mortality 2012-14 (Urban)	100.00%	100.00%

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.

**viii) Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Defined Benefit Obligation (Base)	252.15	193.42

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	278.85	229.50	209.92	178.97

(% change compared to base due to sensitivity)	10.6%	-9.0%	8.5%	-7.5%
Salary Growth Rate (- / + 1%)	232.33	274.38	180.83	207.41
(% change compared to base due to sensitivity)	-7.9%	8.8%	-6.5%	7.2%
Employee Turnover Rate (- / + 1%)	260.94	244.53	196.79	190.43
(% change compared to base due to sensitivity)	3.5%	-3.0%	1.7%	-1.5%

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

**ix) Maturity Analysis**

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Expected payments over the next (valued on undiscounted basis)</b>		
1st Following Year	8.81	12.76
2nd Following Year	20.84	7.40
3rd Following Year	13.75	20.13
4th Following Year	17.26	11.72
5th Following Year	18.01	15.37
More than 5 years	549.99	343.33

**e) Related party disclosures:**

**(As per Ind AS 24: Related party disclosures):**

Names of other related parties and nature of relationship:

<b>Key Management Personnel</b>	<b>Executive Directors / CS / CFO</b>
	Mr. Kamalkumar Rajendra Aggarwal
	Mr. Navdeep Naresh Goyal
	Mr. Rajesh Chimanlal Gandhi
	Mr. Himanshu Prafulchandra Purohit
	Mr. Rajveer Kamal Aggarwal
	Mr. Shahilkumar Maheshbhai Kapatel

<b>Key Management Personnel</b>	<b>Non-Executive/Independent Directors</b>
	Mr. Lalit Devidutt Chaudhary
	Mr. Bharat Chunilal Shah
	Ms. Neelu Atulkumar Shah
	Mr. Samir Chandrakant Patel (till 13.05.2023)
	Mr. Pradeep Vishambhar Agrawal (till 26.06.2023)
	Mr. Pankaj Amritlal Shah (16.12.2023 Onwards)
	Mr. Lalit Ramniklal Mehta (16.12.2023 Onwards)
<b>Relatives of Key Management Personnel:</b>	Ms. Minal Kamal Aggrawal
	Ms. Puja Sarman Shah
	Ms. Parul Utssav Gupta
	Mr. Naresh Vijaykumar Goyal
	Ms. Shubharangana Naresh Goyal
<b>Entities in which Key Management Personnel or relatives of Key Management Personnel are interested:</b>	Super Chemical Industries
	Supertech Fabrics Private Limited
	Super Industrial Lining Private Limited
	Dtech Products Private Limited
	GGC Chemicals & Pharmaceuticals Private Limited
	Medicap Healthcare Limited
	Medicap Industries
	Shivam Petrochem Industries

**Transactions with related parties and Closing Balances at the end of the year**

(In ₹ lakhs)

Particulars	Transactions		Closing Balances - Payable/(Receivable)	
	For the year ended March 31, 2024	For the year ended 31st March 2023	As at March 31, 2024	As at March 31, 2023
<b>I. Key Management Personnel</b>				
<b>Remuneration [refer foot note (a)]</b>				
Kamalkumar Rajendra Aggarwal	103.00	298.00	35.53	34.03
Navdeep Naresh Goyal	127.00	322.00	38.85	35.42
Rajesh Chimanlal Gandhi	39.90	31.20	2.53	1.94
Himanshu Prafulchandra Purohit	39.90	31.20	2.70	2.17

Rajveer Kamal Aggarwal	24.00	24.00	1.99	1.08
Shahilkumar Maheshbhai Kapatel	7.00	7.00	0.89	1.26
<b>Director Sitting Fees</b>				
Lalit Devidutt Chaudhary	0.20	0.40	-	0.23
Bharat Chunilal Shah	0.75	0.70	0.14	0.36
Neelu Atulkumar Shah	0.95	0.90	0.14	0.54
Samir Chandrakant Patel	-	0.60	-	0.18
Pradeep Vishambhar Agrawal	-	0.20	-	0.09
Pankaj Amritlal Shah	0.15	-	0.14	-
Lalit Ramniklal Mehta	0.10	-	0.09	-
<b>Rent Expense</b>				
Kamalkumar Rajendra Aggarwal	1.80	1.80	0.16	0.16
<b>Purchase of Land</b>				
Kamalkumar Rajendra Aggarwal	-	574.98	-	-
<b>Dividend (Equity shares)</b>				
Kamalkumar Rajendra Aggarwal	-	407.48	-	-
Navdeep Naresh Goyal	-	344.33	-	-
Rajveer Kamal Aggarwal	-	101.31	-	-
<b>Reimbursement of expenses Received</b>				
Kamalkumar Rajendra Aggarwal	2.05	9.64	-	-
Navdeep Naresh Goyal	0.12	16.77	-	-
<b>II. Relatives of KMP:</b>				
<b>Rent expense</b>				
Minal Kamal Aggrawal	1.80	1.80	0.14	0.14
Puja Sarman Shah	1.80	1.80	0.14	0.14
Parul Utssav Gupta	1.80	1.80	0.14	0.14
<b>Purchase of Land</b>				
Naresh Vijaykumar Goyal	-	1,455.20	-	-
<b>Dividend (Equity shares)</b>				
Naresh Vijaykumar Goyal	-	121.43	-	-
Minal Kamal Aggrawal	-	37.20	-	-
Shubharangana Naresh Goyal	-	79.16	-	-
Parul Utssav Gupta	-	0.20	-	-



<b>III. Entities in which Key Management Personnel or relatives of Key Management Personnel are interested:</b>				
<b>Sale of goods or services</b>				
Super Chemical Industries	133.49	90.79	(9.08)	(32.90)
Supertech Fabrics Private Limited	-	4.27	-	-
Shivam Petrochem Industries	73.87	118.41	(234.70)	(139.00)
GGC Chemicals & Pharmaceuticals Private Limited	0.42	-	(0.27)	-
<b>Purchase of goods or services</b>				
Supertech Fabrics Private Limited	0.11	0.22	-	0.26
Dtech Products Private Limited	67.21	111.38	14.35	17.15
Medicap Healthcare Limited	9.95	0.08	3.52	-
Shivam Petrochem Industries	0.73	158.76	-	16.58
Medicap Industries	475.46	-	-	-
<b>Purchase of Property, plant and equipment</b>				
Dtech Products Private Limited	14.23	547.05	-	-
Medicap Healthcare Limited	-	1.00	-	-
<b>Sale of Property, plant and equipment</b>				
Medicap Healthcare Limited	4.32	-	-	-
Medicap Industries	2.08	-	-	-
<b>Reimbursement of expenses Received</b>				
Medicap Healthcare Limited	15.62	24.53	-	-
Shivam Petrochem Industries	-	18.00	-	(16.80)
Dtech Products Private Limited	0.08	-	-	-
Shivam Petrochem Industries	8.55	-	-	-
<b>Reimbursement of expenses Paid</b>				
Super Industrial Lining Private Limited	4.80	7.71	-	0.33
Medicap Healthcare Limited	0.92	-	-	-
Dtech Products Private Limited	0.29	-	-	-

### Disclosure in respect of Key Managerial Personnel Compensation

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short Term Employment Benefits	340.80	713.40
Post-Employment Benefits	0.65	0.65

#### Footnotes:

- a. Remuneration does not include provisions made for Gratuity as it is determined on an actuarial basis for the Company as a whole.
- b. Amounts reported are exclusive of GST, wherever applicable.

### f) Segment Information

The Company's operations falls under single segment namely "Manufacturing of Specialised Chemicals", taking into account the risks and returns, the organization structure and the internal reporting systems.

Segment revenue from "Manufacturing of Specialised Chemicals" represents revenue generated from external customers which is attributable to the Company's country of domicile i.e. India and external customers outside India as under:

#### Geographic information

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Geographic information</b>		
Revenue from customers		
India	16,329.56	13,913.38
Outside India	10,379.65	16,375.09
<b>Total</b>	<b>26,709.21</b>	<b>30,288.47</b>

All assets are located in the Company's country of domicile i.e. India.

One customer (PY: One customer) individually contribute more than 10% of entity's revenues. The total revenue from such entities is given below:

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Customer - 1	4,423.52	4,005.07
<b>Total</b>	<b>4,423.52</b>	<b>4,005.07</b>

**g) Lease Accounting (Disclosure as per Ind AS 116: Lease)**
**i) The movement in Lease liabilities during the year**

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	4.27	50.49
Additions during the year	-	-
Finance costs incurred during the year	0.06	2.23
Payments of Lease Liabilities	(4.33)	(27.50)
Deletion of Lease Liabilities	-	(20.96)
<b>Closing Balance</b>	<b>(0.00)</b>	<b>4.27</b>

**ii) The carrying value of the Rights-of-use and depreciation charged during the Year**

For details pertaining to the carrying value of right of use of lease assets and depreciation charged thereon during the year, kindly refer note 2.3.

**iii) Amount Recognised in Statement of Profit & Loss during the Year**

(In ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Expenses related to Short Term Lease & Low Asset Value Lease	16.74	7.05
<b>Total Expenses</b>	<b>16.74</b>	<b>7.05</b>

**iv) Maturity analysis of lease liabilities**

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances of Lease Liabilities		
Current Lease Liability	-	4.27
Non-Current Lease Liability	-	-
<b>Total Lease Liability</b>	<b>-</b>	<b>4.27</b>

**h) Ratio**

Sr. No.	Particulars	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	Variance (in %)	Reason for Variance if above 25%
a.	Current Ratio	Current Assets	Current Liabilities	5.54	3.41	62.49%	Increase is primarily on account of increase in Short-term bank deposit and Repayment of Short-term borrowing.

b.	Debt-equity Ratio	Total Debt	Shareholders' equity	0.09	0.14	-35.86%	Decrease is primarily on account of Repayment of Short-term borrowing.
c.	Debt service coverage Ratio	Earnings available for debt service (1)	Debt service (2)	8.23	18.02	-54.33%	Decrease is primarily on account decrease in Operating Margins
d.	Return on equity Ratio (%)	Profit for the year	Average Shareholders' equity	4.11%	12.60%	-8.49%	-
e.	Inventory turnover Ratio	Sale of Products	Average Inventory	3.80	5.31	-28.33%	Decrease is primarily on increase in Average inventory level.
f.	Trade receivables turnover Ratio	Revenue from contracts with customers	Average trade receivables	3.55	3.54	0.27%	-
g.	Trade payables turnover Ratio	Net Credit Purchases	Average trade payable for Goods	12.18	10.84	12.35%	-
h.	Net capital turnover Ratio	Revenue from contracts with customers	Average working capital	0.92	1.37	-32.99%	Increase is primarily on account of increase in Short-term bank deposit.
i.	Net profit Ratio (%)	Profit for the year	Revenue from contracts with customers	7.23%	18.29%	-11.06%	-
j.	Return on capital employed (%)	Profit before tax add finance costs Less Other Income	Capital Employed	3.19%	11.96%	-8.76%	-

1. Net Profit after taxes + non-cash operating expenses + Finance costs + Other Non-cash adjustments
2. Interest and lease payments + Principal repayments
3. During the current and previous year, the Company has not made investments or earned income on the investments. Accordingly, ratio for Return on Investments has not been presented.

**i) Commitments and Contingent liabilities**

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Contingent Liability</b>		
Claims against the Company/ disputed demands not acknowledged as debt: -		
- Excise	3.50	3.50
- GST	46.01	23.38
- Income Tax	314.91	280.74

<b>Commitments</b>		
Estimated amount of contracts remaining to be executed and not provided for (net of advances):	253.37	751.16

#### j) Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, ("the Act") a Company, meeting the applicability threshold, need to spend at least 2% of its average net profit for the immediately preceding three financial years on CSR activities.

The disclosure in respect of CSR Expenditure is as under:

(In ₹ lakhs)

<b>Sr. No.</b>	<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
i)	Amount required to be spent by the Company during the year	155.42	144.14
ii)	Amount of expenditure incurred		
	(a) Construction/acquisition of any asset	-	-
	(b) On purposes other than (a) above	53.61	67.13
iii)	Shortfall/(excess) at the end of the year	101.81	77.01
iv)	Reason for shortfall		
	Shortfall at the end of the year March 31, 2024, Rs. 101.81 Lakhs is required to be transfer to a fund specified in Schedule VII within a period of six months of the expiry of the financial year. Accordingly, the Company shall transfer the said amount on or before 30th September 2024.		
	Shortfall at the end of the year March 31, 2023, Rs. 77.01 Lakhs is required to be transfer to a fund specified in Schedule VII within a period of six months of the expiry of the financial year. Accordingly, the Company has transfer the said amount as on September 26, 2023 to PM CARES Fund.		
v)	Nature of CSR activities		
	Eradicating hunger, Rural development, promoting nationally recognised sports, Livelihood enhancement, promoting health care, ensuring environmental sustainability and Promoting Education.		
vi)	Details of related party transactions	-	-
vii)	Amount approved by Board to be spent during the year	-	-
viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	Not Applicable	

#### k) IPO Proceeds and Its utilisation

During the financial year ended March 31, 2021, the Company had completed the Initial Public Offer (IPO) 93,52,941 Equity Shares having face value of Rs. 10/- each at an issue price of Rs. 340/- per Equity Share, comprising offer for sale of 45,00,000 equity shares by Selling Shareholders and fresh issue of

48,52,941 equity shares. These equity shares were allotted on September 29, 2020, and were listed on October 1, 2020, on BSE Limited and National Stock Exchange of India Limited.

**Utilisation of Net IPO Proceeds:**

(In ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening Balance</b>	-	5,409.54
Add: Net Proceed		
Gross Proceed from Fresh issue	-	-
Less: Offer Related Expenses	-	-
	-	-
<b>Less: Amount paid/invested:</b>		
Capital expenditure towards expansion of Manufacturing Facility	-	-
Incremental working capital requirement	-	5,000.00
General corporate purposes	-	409.54
<b>Balance amount unutilised</b>	-	<b>5,409.54</b>

IPO Proceeds which were unutilised as at year end were temporarily invested in deposits with scheduled commercial bank.

The expenditure related to issue of equity shares of the Company by way of fresh issue amounting to Rs. 1,465.07 Lakhs was adjusted towards the securities premium in the year of issue.

**I) Other Statutory information**

- a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Company has not advanced any loans or advances in the nature of loans to specified persons viz. promoters, directors, KMPs, related parties, which are repayable on demand or where the agreement does not specify any terms or period of repayment.
- c) The Company has utilised funds raised from issue of securities or borrowings from banks and financial institutions for the specific purposes for which they were issued/taken.
- d) The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.
- e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- f) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g) There are no transactions and / or balance outstanding with companies struck off under section 248 of the Companies Act, 2013.
- h) The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- i) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- j) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- k) The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
- l) The Company has filed quarterly statements with the banks against the sanctioned working capital facilities and a reconciliation of the same between books of accounts and statements submitted is as under.

(In ₹ lakhs)

Sr No	Quarter ended	Name of the Bank	Details of security provided	Amount as per Books of Accounts	Amount as per Quarterly Statements	Differences *
1.	June 2023	HDFC Bank	Inventory	7,822.39	7,472.23	350.16
			Receivables	7,089.56	7,089.56	-
2	September 2023	HDFC Bank	Inventory	8,130.92	7,797.10	333.82
			Receivables	8,564.24	8,564.24	-
3	December 2023	HDFC Bank	Inventory	8,315.67	7,960.44	355.23
			Receivables	8,110.93	8,110.93	-

Footnotes for Differences:

\* The company has not considered the inventory of stores, spares, and other (such as fuel) when presenting Statements to the bank.

- m) The figures of previous year have been re-arranged and regrouped wherever necessary to make them comparable with those of the current year and according to requirements of the schedule III of the Companies Act, 2013.

As per our report of even date attached

For **K C Mehta & Co LLP**

Chartered Accountants

Firm Registration No: 106237W/W100829

For and on behalf of the Board of Directors

**CHEMCON SPECIALITY CHEMICALS LIMITED**

**Chhaya M. Dave**

Partner

Membership No. 100434

**Kamalkumar Aggarwal**

Chairman & Managing Director

DIN: 00139199

**Navdeep Goyal**

Deputy Managing Director

DIN: 02604876

Place: Vadodara

Date: May 18, 2024

**Rajesh Gandhi**

Whole-time Director and CFO

DIN: 03296784

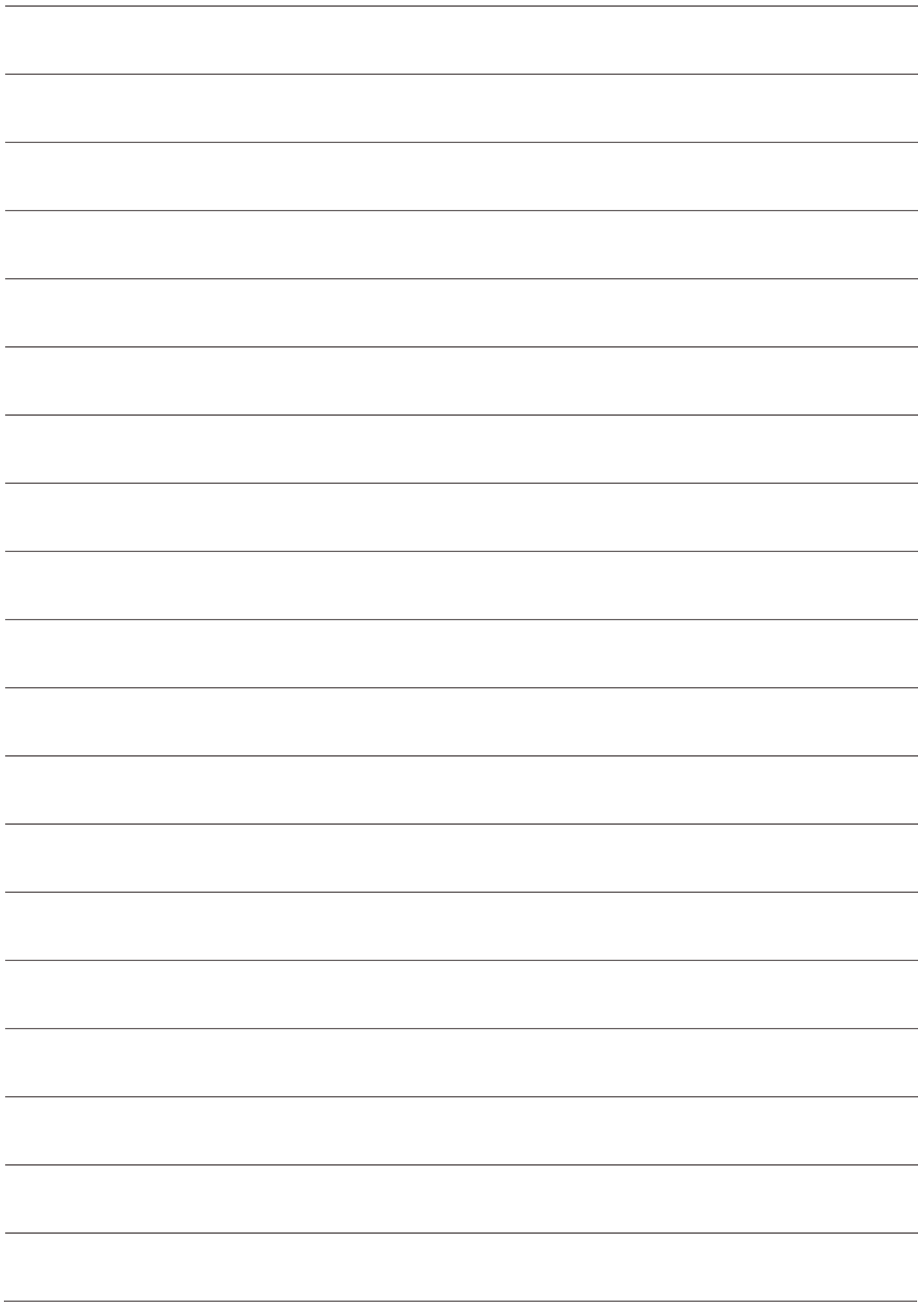
**Shahilkumar Kapatel**

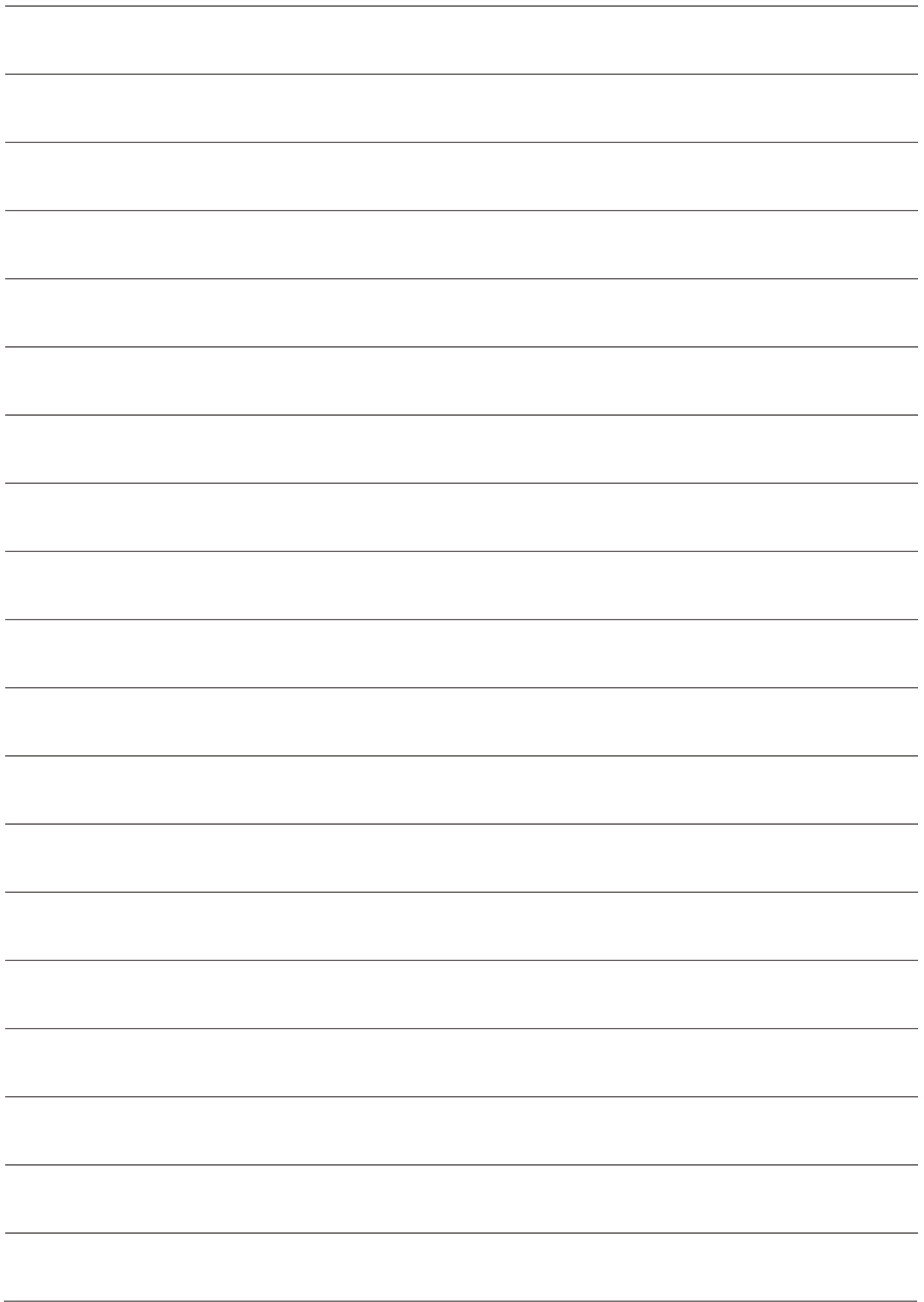
Company Secretary

ACS: 52211











**CHEMCON**  
**Speciality Chemicals Ltd.**