



Certificate No. 16909
AN ISO 9001, ISO 14001, ISO 45001
Certified Company

CIN: L24100GJ2015PLC081941



DHARMAJ[®]
CROP GUARD LIMITED

Limitless
GROWTH

August 11, 2023

To,

BSE Limited Corporate Relationship Department. PJ Towers, 25th Floor, Dalal Street, Mumbai- 400 001	National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G-Block Bandra Kurla Complex, Bandra (East), Mumbai- 400 051.
BSE Scrip Code No. 543687	NSE Symbol:-DHARMAJ

Dear Sir/Madam,

Sub: Integrated Annual Report under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations')

In furtherance to our letter dated August 08, 2023, the 09th Annual General Meeting ('AGM') of the Company is scheduled to be held on Monday, September 04, 2023 at 11.30 a.m. (IST) through Video Conferencing facility / Other Audio Visual Means.

Pursuant to Regulation 34(1) of the SEBI Listing Regulations, please find enclosed the Integrated Annual Report of the Company along with the Notice of the AGM and other Statutory Reports for the Financial Year 2022-23. The same is also being sent through electronic mode to those Members whose e-mail addresses are registered with the Company / Registrar and Transfer Agent / Depository Participants.

The same is also available on the website of the Company at <https://www.dharmajcrop.com//investors/annual-reports>.

This is for your information and records.

Thanking you,

For, **Dharmaj Crop Guard Limited**

Malvika Bhadreshbhai Kapasi
Company Secretary & Compliance Officer
A52602

Regd. Office/ Factory Unit-I : Plot No. 408 to 411, Kerala GIDC Estate, Off NH-8, At : Kerala, Ta.: Bavla, Dist.: Ahmedabad- 382220, Gujarat, India. Tel.: 02714-268000

Factory Unit-II : Plot No. DP-154, GIDC-Chemical Zone, Saykha-II, Ta.- Vagra, Dist.- Bharuch – 392140, Gujarat, India.

Corporate Office: Office No. 901 to 903 & 911, B Square 2, Iscon Ambli Road, Ahmedabad- 380058, Gujarat, India. Tel.: 079-29603735 • 02717438189

Email: info@dharmajcrop.com • Web: www.dharmajcrop.com



Limitless Growth

Limitless Growth

Like the fertile soil that nourishes seeds, we believe that limitless growth in agriculture begins with a vision rooted in boundless possibilities. It is the unwavering belief that every field holds the potential for abundant harvests and every farmer can cultivate a prosperous future.

We sow the seeds of innovation, nurture them with responsible practices, and watch as our efforts bloom into a landscape of abundance. Together with farmers and all other stakeholders, we reap the rewards of our labour, redefining what is possible and ensuring that the bountiful yields of today are merely the beginning of an endless journey towards a thriving tomorrow.

With this vision, we started our journey as Dharmaj Crop Guard Limited (DCGL) in 2015, and today, eight years down the line, we are proud to present our maiden annual report, post listing.

Since our inception, we have passionately engaged in manufacturing, distributing, and marketing a diverse range of agrochemical formulations. With a strong commitment to responsible practices, we empower farmers and stakeholders alike, and their limitless growth has led to our ceaseless progress.

At DCGL, we understand that the essence lies in the flourishing harvests of farmers. We are dedicated to ensuring par-excellent yields through our safe and innovative product range. By delivering comprehensive crop protection solutions, we assist farmers in maximising their productivity and profitability while nurturing a sustainable future for agriculture.

Driven by our core values, DCGL has garnered trust from a discerning institutional clientele and our farmer community alike. Ethical conduct has been the cornerstone of our operations, allowing us to consistently create value for all our stakeholders. With decades of experience, domain expertise, and a profound understanding of market dynamics and farmers' needs, we are already making our mark in the agrochemicals industry.

Over the past eight years, DCGL has evolved into a multi-geography Pan India and global Presence organisation, boasting an impressive portfolio of hundreds of registered products in India as well as for the export markets. Along with it we have meticulously built a customer facing portfolio with hundreds of brands and even more SKUs. Our state-of-the-art formulations capabilities have set new benchmarks in quality and productivity, enabling us to meet the growing demands of institutional customers, dealers, distributors, and countless farmers. Today, Dharmaj stands as one of the fastest-growing agrochemical companies, backed by a capital-efficient business model.

As we reflect on our achievements, we believe that this is only the beginning of our remarkable journey. To sustain our growth momentum, we have set ambitious goals to double our top-line

every three years. To achieve this, we will capitalise on the value chain play by integrating backwards, strengthen our domestic branded business through an expanded distribution network and focus on the public and animal health product segment with a stronger retail approach. We are also determined to seize international market opportunities by expediting product registrations and leveraging upcoming active ingredients expansion.

With our unwavering dedication to excellence, trust, and sustainable practices, we envision a future where our growth reflects the infinite potential of farmers and our partners. Together, let us cultivate a healthier, safer, and better world, fostering a legacy of limitless growth for generations to come.

Corporate Overview

- 2 About Dharmaj Crop Guard
- 6 Milestones
- 8 **Business Verticals:**
 - [Branded Formulations Vertical](#)
 - [Institutional Formulations Vertical](#)
 - [Active Ingredients Vertical & Intermediator](#)

- 16 Geographical Footprint
- 18 Message from the Chairman
- 20 Key Performance Indicators

- 22 **Built To Grow Exponentially:**
 - [With Unmatched Operational Excellence](#)
 - [By Capturing Newer Opportunities](#)
 - [Farmer Engagement, Sustainability, CSR](#)
- 28 Board of Directors
- 30 Management Team
- 32 Management Discussion and Analysis

Statutory Reports

- 42 Corporate Information
- 43 Director's Report
- 59 Corporate Governance Report

Financial Statements

- 77 Independent Auditor's Report
- 85 Standalone Financial Statements

Forward Looking Statement

This document contains statements about expected future events, financial and operating results of Dharmaj Crop Guard Limited ("Dharmaj" or "DCGL" or "the Company"), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the Management Discussion and Analysis chapter of the Company's Annual Report.

About Dharmaj Crop Guard

Growing stronger together, with agrochemicals expertise

We are a dynamic and fast-growing agrochemicals Company engaged in manufacturing & marketing agrochemical formulations like insecticides, fungicides, herbicides, plant growth regulator, and micro fertilisers. We market and distribute licensed and generic formulations to B2C customers (farmers) under our brands and to B2B customers (institutional). We also engage in the business of general insect and pest control chemicals for public and animal health protection.

Led by our agility in developing new formulations, aggressive demand generation strategy and manufacturing capabilities, we have been redefining the crop protection segment with top-quality products that contribute to healthier societies. Our product performance, ability to continually refresh and expand portfolio and supply dependability makes us a trusted partner to lakhs of farmers and more than 730+ Institutional customers in India and across 28 countries in Latin America, East African Countries, Middle East and Far East Asia.

Profile

Headquarter in Ahmedabad, Dharmaj Crop Guard was established in 2015 by professionals with multi-decade experience with the aim of providing innovative products to farmers that can help them maximise their output. We are listed on NSE and BSE after our recent Initial Public Offering in December 2022.

Core Purpose

To provide radical solutions to human beings in such a way that they can grow with full potential and improve their prosperity.

Dharmaj at a glance



Domestic Presence

13,500+
Retail touchpoints

4,500+
Dealers & distributors

Present in
20 states
with 16 stock depots



Institutional Base

730+
Customer base

Customer base spanning
26 countries

230+
Products in institutional portfolio



Manufacturing Infrastructure

25,500 MT
Formulations capacity

8,000 MT
Upcoming technicals & intermediates capacity



Product Registrations

490
Total product registrations

200
Export product registrations

10
Technicals registrations received, 14 under registration



Others

325+
Team strength

190+
On-ground sales force

CRISIL BBB
Credit rating upgraded to CRISIL BBB/Stable/CRISIL A3+ recently



About Dharmaj Crop Guard

Unleashing potential with an end-to-end value chain play

Dharmaj value chain play ↑

Dharmaj is currently engaged in the manufacturing of agrochemical formulations. We have initiated steps to enter the active ingredients segment to become a completely integrated player across the agrochemical value chain.

Setting-up an **8,000 TPA** intermediates & active ingredients unit

25,500 TPA of integrated manufacturing capacity for formulations



1 Active Ingredients Manufacturing

We are setting-up an 8,000 TPA intermediates unit & active ingredients unit which is expected to be commercialised by Q3FY24. This is a multi-purpose plant designed to manufacture 6 different technicals simultaneously over 3 manufacturing lines, with dedicated intermediates facility.



2 Formulations Manufacturing

25,500 TPA of integrated manufacturing capacity for formulations, capable of doing all categories of formulations - EC, SC, SL, SG, WDG, WP, DP, GR, CS, ZC. In addition, this facility is equipped with a R&D centre and NABL accredited QC laboratory on site.



3 Marketing: B2B and B2C

B2C

Established strong distribution network with 4,500+ dealers & distributors and 190+ team strength in marketing, deploying innovative techniques to enhance product off-take and onground demand generation.

B2B

Established strong relationships with agrochemical companies in India and globally and have been continually selling products to large, medium and small players in the industry.

How Dharmaj stands to benefit? →



Improvement in blended margin profile and input availability for formulation manufacturing with backward integration.



Strengthening existing formulations business (B2B and B2C) with greater cost competitiveness, strict quality controls and supply reliability.



Open opportunities for growing formulation exports and supporting verticals like public and animal health in a big way.



Milestones

Eventful past, exciting future

At Dharmaj, we have a track record of establishing and building a successful business from scratch. We are now taking this ahead to expand and unlock value creation for all stakeholders.

2015-17
 This phase saw us incorporate our business, establish business processes, and set-up assets. We established competencies in manufacturing formulations and adopted a strategy of marketing them to both customer segments i.e., B2B and B2C. We established a customer base of 730+ institutional clients, with a special focus on an unserved category i.e. small formulators & regional players (with <10 Crores annual sales), while also setting up our own branded vertical with our own distribution network:

2015 Incorporation with a vision to become one of the fastest growing agrochemical companies

2016 Commissioned formulation manufacturing facility in Kerala GIDC, Ahmedabad

Started Branded Formulations vertical with Gujarat, Madhya Pradesh, Bihar and Chhattisgarh

Started with Institutional Formulations vertical and began export product registrations

2018-21
 This phase saw us consolidate operations with expansion of capacities and establishing an export presence. We further focused on diversification by entering the public and animal health segment and beginning the move towards establishing end-to-end value chain presence:

2018 Received ISO 9001:2015, ISO 14002:2015 and ISO 45001:2018 for development and manufacturing of agrochemical formulations

2019 Achieved ₹1,000 mn in revenue

Acquired additional land in Kerala GIDC, Ahmedabad for expansion of formulations unit

Acquired Sayakha land parcel on 99-year lease to setup Technicals & Intermediates facility

Commenced planning and made EC filings for Active Ingredients expansion

2021 Achieved ₹3,000 mn in revenue

Doubled formulation capacity from 11,400 MT to 25,500 MT

Started Public Health and Animal Health vertical

Received NABL certification for QC laboratory as per ISO/IEC 17025:2017



2022 and beyond
 In this phase, we have embarked upon building a pan-India operational scale while ramping-up exports business. We are penetrating well with institutional clients, having added several marquee MNCs and major Indian Agrochemical companies as clients, apart from growing in the small formulators customer segment. We are setting-up an active ingredients facility which is set to drive our next phase of growth:

2022 Raised first external equity capital via IPO (₹2,014 mn fresh issue)

Entered 7 new states in the Branded Formulations business

2023 Received 10 technical product registrations with 14 more in pipeline

Planned commissioning of Technicals & Intermediates facility in Q3FY24

Business Verticals

Diversified across products and verticals

1 Branded Formulations Vertical

Branded Business Snapshot

₹1,448 million

Revenue

27%

Revenue Contribution

121+ brands
350+ SKUs

Portfolio

Reach to lakhs of farmers through
4,500 dealers
13,500 retail touchpoints

Customers

Overview

We have built several strong brands over the years, which are made available to farmers across 20 states through an extensive marketing and distribution network with 4,500+ nodes. We have established a strong brand equity with our quality products, competitive prices and innovative trade policies to ensure aggressive growth. Alongside, we maintained focus on trade receivables, cash conversion and strict working capital discipline. We follow a clustered growth strategy whereby we target entering a couple of new states each year, and build a market with our aggressive go-to-market strategy & demand generation activities, followed by scaling up in these markets exponentially. In the last two years, we entered 6 new states including Uttar Pradesh, Punjab, Haryana, Uttarakhand, Jammu & Kashmir and Maharashtra, taking our presence to a total of 20 states. Subsequently we also significantly expanded our on-ground sales & marketing team, taking the total marketing team strength to 190+, to effectively leverage the potential of these states.



Brand Portfolio

Latest Additions:

Insecticides

Herbicides

Best Selling Brands



Business Verticals

New Product Development

Our ability to regularly & systematically launch new and better products makes us a brand to reckon. With our strong focus on delivering great value propositions to farmers, with innovative products & combinations, we are able to launch products that are the current need of the market. During the last four years, we have launched 72 new products, of which 21 were launched in FY23 alone. These new products not only contribute to growing scale of operations, but also allow to refresh our overall portfolio, and maintain blended profitability margins from this business; thus product launch is a continuous function at Dharmaj.

FY21

Our launches in the last few years include:



FY22

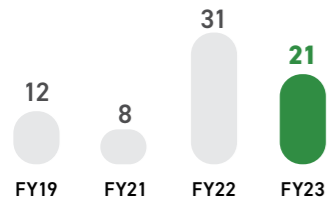


FY23

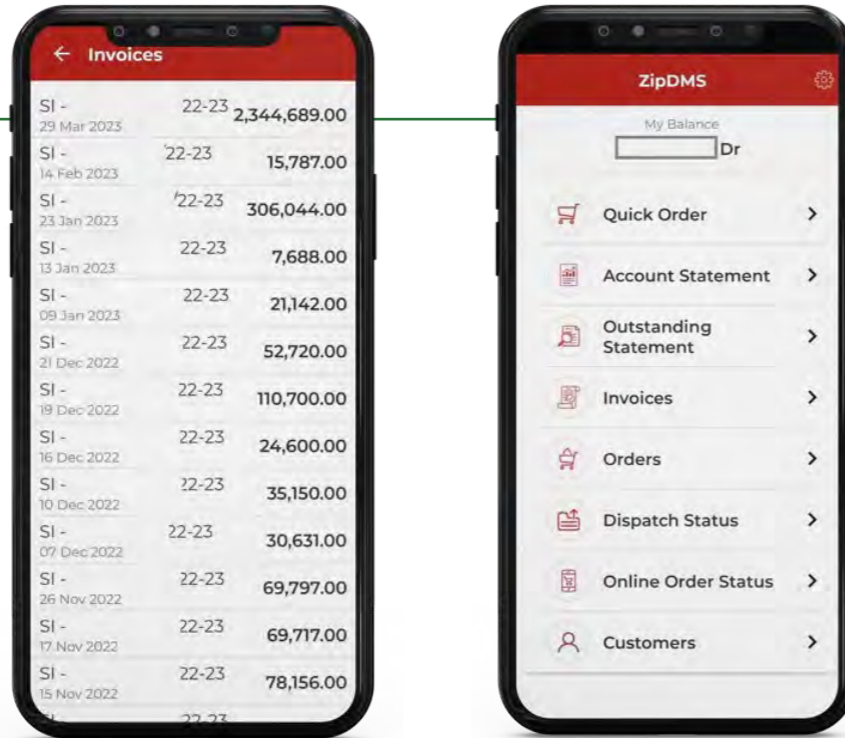
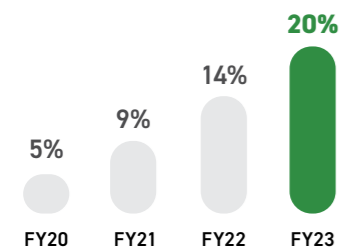


Product Innovation Index

New Product Launches



Innovation Index (Sales from CY & PY launches)



Powered by Technology

Technology & digitalisation has been a key business enabler for our branded business. We have invested and implemented ERP systems to automate workflows, which enables us to operate all core processes more efficiently, alongside real-time information and analytics to improve decision making.

We have also tied-up with a technology vendor for a mobile application to empower our dealers & distributors with order management system, payment and billing details, generating multiple reports, sales analysis and other relevant information. We are currently under the implementation stage for the next generation of this application, in collaboration with a technology partner who has agrochemical domain expertise.

Brand Building

We undertake proactive on-ground demand generation, dealer-distributor and farmer engagement and brand building activities to entrench deeper into the markets. These include proactive dealer appointments & visits, farmer meetings, organising field days and jeep campaigns. We also conduct field visits and product demonstrations to help farmers adopt best practices and gain from our products. During FY23, we strengthened our sales force from 109 to 186, to intensify marketing activities.

Way Forward

Penetrate existing markets

We have established ourselves amongst the top five players in branded sales in Gujarat within the last 7 years. We are working towards replicating this success across all existing markets.

Enter new markets

We will continue to explore opportunities and establish presence in newer markets with an aim to become a pan-India player.

Reinforce portfolio

We intend to continually refresh and rejig portfolio by introducing newer products and formulation combinations and phasing out some existing to drive profitability.

Scale operations

We will explore opportunities for tie-ups with global innovators and in-licensed marketing to scale business and pursue next level of opportunities.

Business Verticals

2 Institutional Formulations Vertical

Institutional Business Snapshot

₹3,287 million
Revenue

73%
Revenue Contribution

» **62%**
Domestic Institutional Business

» **11%**
Exports Institutional Business

230+ products
Domestic Portfolio

International Portfolio
200
export products registered

730+
Domestic Customer Base

International Customer Base

70+
customers across
26+ countries



Overview

The vertical is our primary business vertical and the biggest revenue contributor. We sell bulk products in all kinds of packaging to our B2B (institutional) customers including multinational corporations, large Indian companies, medium to small Indian formulators and to customers in the international markets. We actively engage with small formulators and regional players who are largely underserved. The business provides us the advantage of economies of scale, diversification across a wider customer base and ringfences against seasonal fluctuations.

Institutional Portfolio

Our Pride-Enhancing Clientele

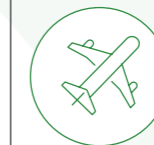


Way Forward



Domestic Business

We will focus on leveraging the advantages of backward integration into active ingredients to reinforce cost-competitiveness and enhance reliability in production. We will also capitalise on this advantage to enhance engagements with MNC customers in terms of better value proposition; already few orders have been executed aligned to this. We also see ample opportunity to grow with our existing strategy of engaging with small formulators within this vertical.



International Business

We have a solid portfolio of 200 products registered in 28 international markets and 14 more products are under registration. We are focused on enhancing global product registrations; already a few registrations across existing markets of African, Latin American, and select developed markets are expected to come in the near future. We will further explore opportunities to enter new markets, while growing engagements in existing markets.



Insecticides

Fipronil 40% + Imidacloprid 40% WG, Emamectin Benzoate 5% SG, Acetamiprid 20% SP, Chlorpyrifos 50% + Cypermethrin 5% EC, Bifenthrin 24% EC W/V



Herbicides

Atrazine 50% WP, Met Surfactant, 2,4-D Amine Salt 58% SL, Glyphosate 41% SL, Metribuzin 75% WG



Fungicides

Carbendazim 12% + Mancozeb 63% WP, Tebuconazole 10% + Sulphur 65% WG, Mancozeb 80% WP - Yellow, Mancozeb 75% WP, Hexaconazole 5% SC



Plant Growth and Plant Health Regulators

Gibberellic Acid 0.001% L, Silicon Adjuvent, Sulphur 65% + Zinc 18%, Sulphur 90% GR, Sulphur 80% WDG

Business Verticals

3 Active Ingredients Vertical & Intermediator

Dharmaj is Setting-Up A State-of-the-Art Greenfield Plant in Sayakha, Gujarat

We are setting-up a dedicated plant for manufacturing Agrochemical Active Ingredients and its Intermediates. We intend to use around 60-70% Intermediates and 25-30% Active Ingredients for internal consumption to achieve backward integration and the rest will be sold in domestic and international markets.

Our Upcoming Greenfield Plant

Spread ~33,490 sq. mt. of land, acquired on 99 years lease from GIDC, our plant will have a cumulative manufacturing capacity of 8,000 TPA and is located at Saykha Industrial Estate, Bharuch in Gujarat.

Design of the Facility

The plant has been conceptualised around three separate production blocks - two dedicated intermediates manufacturing lines (for MPBD and CMAC) and one multi-purpose technical manufacturing block, and will have the ability to manufacture six Technicals simultaneously:

2,500 TPA dedicated MPBD capacity | **2,500 TPA** dedicated CMAC capacity

3,000 TPA cumulative, multipurpose technical capacity

Being set-up in accordance with Indian and export market regulatory standards, the facility will have a dedicated R&D, QC laboratory and state-of-art equipment.

Journey So Far



R&D and Administration Block



Technicals Block (Left Side)
Intermediates Block (Right Side)



Reactor Installation



Rationale For Entering Active Ingredients Domain



Improvement in blended margin profile with Active Ingredients ramp up



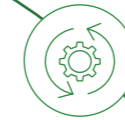
Will strengthen existing formulations business: both B2B & B2C



Will improve cost competitiveness thereby open up export markets in a big way



Will open up opportunities in Public & Animal Health vertical



Q3FY24

Phased commissioning of intermediates & technical block



Jun-23

Will start lab-scale R&D efforts to validate & optimise process chemistry



Jan-21

Received Environmental Clearance to set up manufacturing facility

Dec-20

EIA/EMP report submitted for Environmental Clearance



Apr-19

Acquired land parcel on 99 year lease at Sayakha GIDC, Bharuch, Gujarat

Current Status

- 100% civil works completed
- Reactor installation completed in Intermediates block
- Plant & Machinery installation ongoing

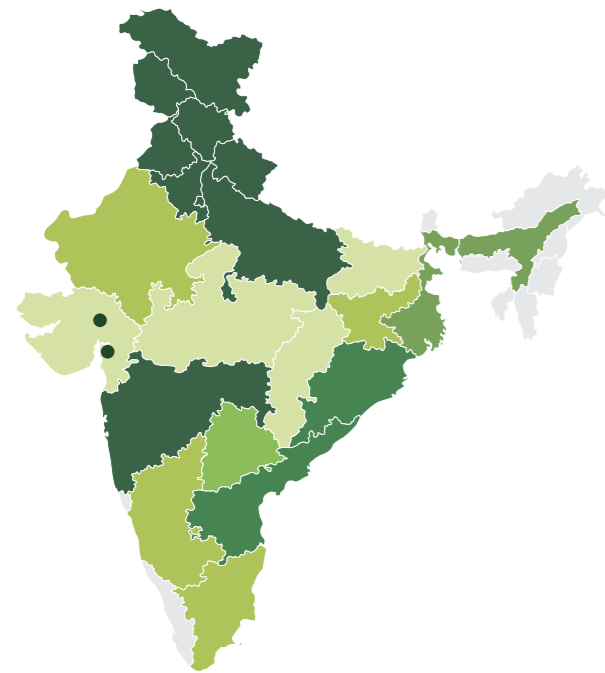


Geographical Footprint

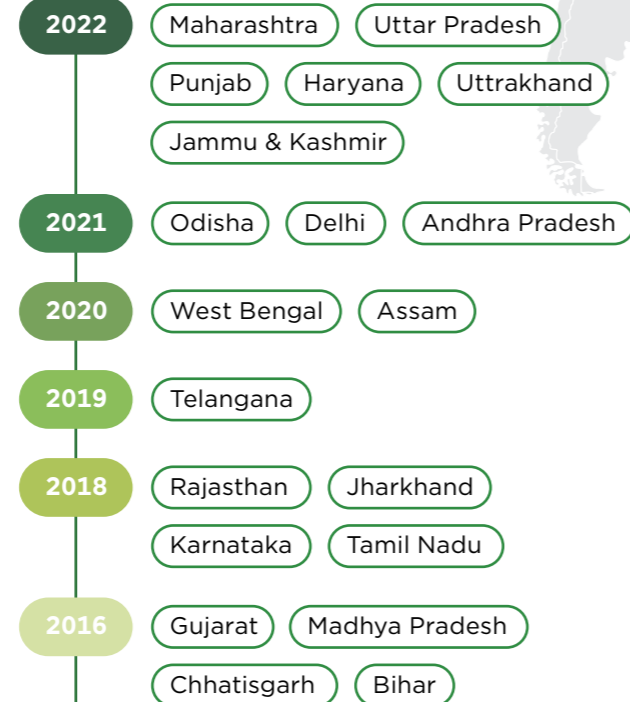
Delivering solutions at scale globally

At Dharmaj, we have established a robust distribution network across 20 states of India ensuring penetration and demand generation of our branded products. This supports our ability to deliver sufficient product quantities to farmers in shorter lead-time to meet their seasonal cropping requirements. Further, we have received product registrations in 28 countries across Latin America, East Africa, Middle East and Far East, where we actively supply products to institutional customers.

Clustered Expansion



Presence

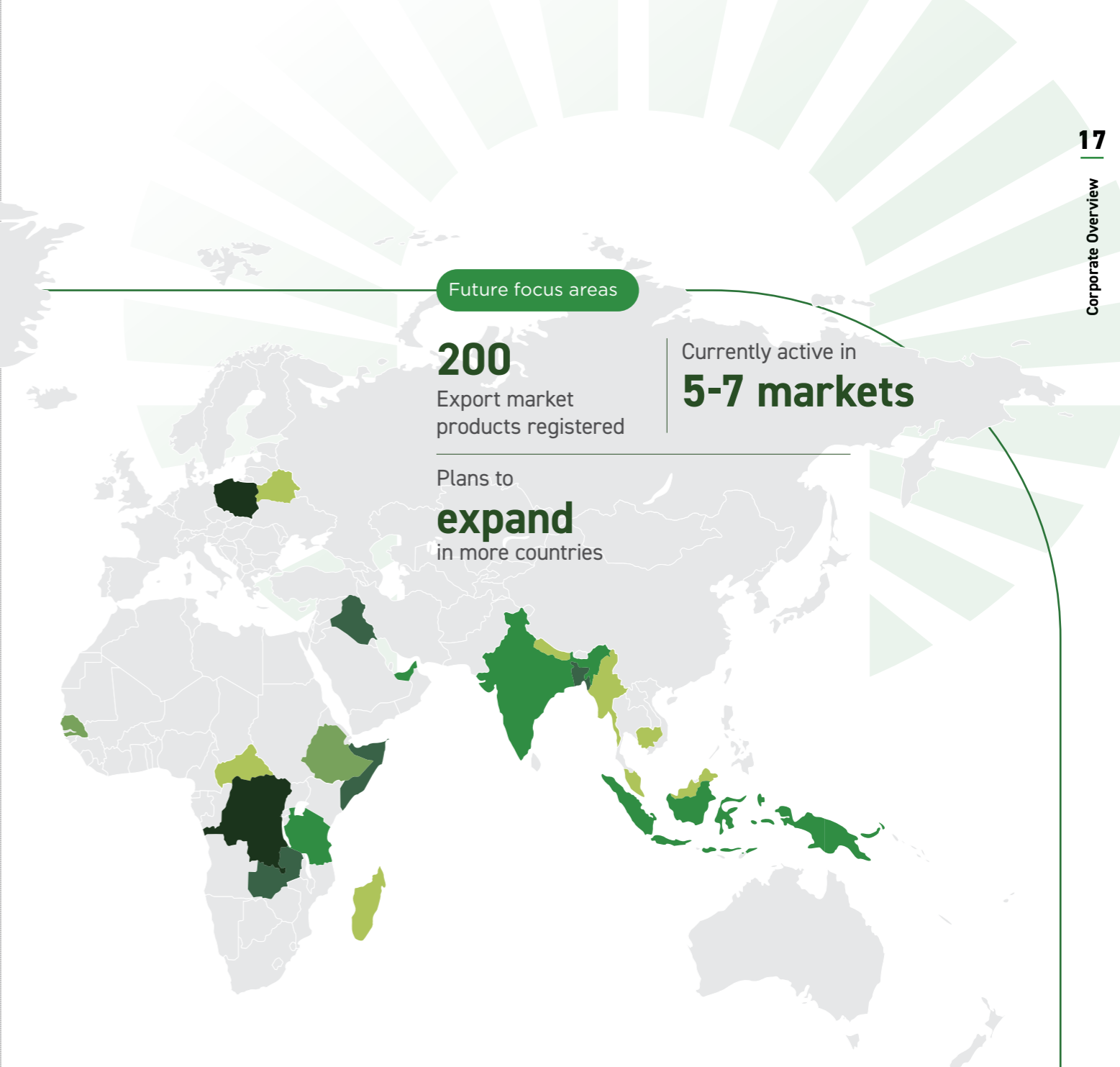


Formulations Plant:
Kerala GIDC, Ahmedabad

Technical Plant:
Sayakha GIDC, Bharuch

Corporate Headquarters:
Ahmedabad

Map not to scale, only for illustration purpose.



Future focus areas

200
Export market products registered

Currently active in **5-7 markets**

Plans to **expand** in more countries

Expanding Our Presence and Efficiency

We have built a robust plan to expand our domestic and international presence including:

16
Stock depots across India

26+
Countries

Committing resources to increase the number of registrations in new markets

Effectively sweating existing resources to drive higher operational efficiencies across business segments

Leveraging our existing relationships to develop new relationships in new markets

Participating in various international and domestic agrochemical exhibitions and industry conferences to market our products

Message from the Chairman

Sustaining and scaling our growth story

“

The organisational goal set by the founding team, including myself, during our incorporation was to take Dharmaj to a ₹2,000 Crore top line by 2030, and I am pleased to share that we are progressing well with our strategic priorities to achieve that long-term goal.



Dear Shareholders,

I am delighted to address you through our Annual Report 2022-23, marking an important milestone in our journey as a newly listed Company following a successful IPO in December 2022. I extend my heartfelt gratitude to all our shareholders for the overwhelming support and trust you have placed in our long-term growth story.

Dharmaj Crop Guard is a young and dynamic agrochemical Company that has quickly established a solid position in the agrochemical industry within just eight years. From being a new entrant a few years ago, we have now emerged as a decent-sized player in the agrochemicals space, with a remarkable topline of ₹5,336 million. This year holds special significance for us as we not only surpassed the ₹5,000 million sales milestone but also augmented our equity capital base. It is with immense pride that I welcome our new 63,547 shareholders to be a part of Dharmaj's growth journey.

What's Next?

The question that naturally arises now is, "What's next?" As we reached a significant size, it became apparent that we needed to shift gears to propel our Company to greater heights. Thus, we embarked on a quest to extend our presence in the agrochemicals value chain by integrating backward into manufacturing Agrochemical Active Ingredients and their key Intermediates. While we have communicated the thought process and rationale behind this expansion in our annual report and other investor disclosures, our driving force behind this move is to prepare the Company for its next phase of growth and strengthen our existing business model. The organisational goal set by the founding team, including myself, during our incorporation was to take Dharmaj to a ₹2,000 Crore top line by 2030, and I am pleased to share that we are progressing well with our strategic priorities to achieve that long-term goal. On the backward integration project at Sayakha, we are proceeding as per plan and expect to operationalize the facility in the third quarter of the current financial year. The proceeds from our public issue are being effectively utilised to fund the capital expenditure for this project, with the remaining portion being met through our internal accruals.

Braving Through the Challenges

The past year presented several challenges for the agrochemical industry. The erratic nature of the monsoon in the first half of the year, coupled with a delayed and extended monsoon in the second half, disturbed agriculture activities. Additionally, export markets and to an extent domestic markets faced headwinds such as higher inventories, destocking throughout the trade channel, declining prices of agrochemicals and raw materials, and subdued demand from various international markets. The fall in prices was not limited to export markets alone; domestically, and more specifically at Dharmaj, we witnessed an average 25% decline in price realisations in our product portfolio during the last five months of the financial year.

Despite these challenges, I am pleased to state that we delivered yet another year of strong performance, driven by the growing scale of operations in both institutional and branded formulations. Our revenues increased by 35% to ₹5,336 million in FY23, while our profit after tax grew by 15% to ₹331 million. Margins were under pressure due to intensified sales promotional activities and an augmented sales force to strengthen our presence in newer states. Nevertheless, the positive impact of these efforts will be seen in the coming financial year once we generate business out of newly tapped markets.

In the branded formulations business, our revenues increased by 20% to ₹1,448 million in FY23, driven by market consolidation in existing markets and increased contribution from newer regions. We introduced 21 new products during the year, which were well received in the market. The institutional formulations business continued to enjoy the trust of both Indian and global B2B clients. We closed the year with ₹3,853 million in revenues, thus registering a growth of 42% over the previous year. We added a significant number of new clients and expanded our institutional portfolio to include over 230 products.

Delivering Exponential Scale

Over the past few years, Dharmaj has focused on building capacities, competencies, capabilities and its team. Now that we have established a solid foundation, our intent is to scale up with excellent execution, as we have done in the past eight years. In the branded formulation business, we have already entered new markets and expanded our sales force. Additionally, we plan to undertake more promotional and brand building activities to penetrate these markets further. We are also committed to adding newer products and regions with the eventual goal of becoming a pan-India player in branded formulations. This again, will open us a new set of opportunities on the in-licensed marketing front or in executing strategic tie-ups with global agrochemical players.

In the institutional formulation business, which is our largest revenue area, we are targeting the ramp-up of product registrations in export markets,

35%

Topline growth in FY23

both in existing and newer regions. With our active ingredients capacity expected to come online in the current financial year, we aim to leverage the benefits of backward integration to strengthen our position as a cost-competitive player. We have already initiated conversations with customers and anticipate exciting opportunities in this domain. At the same time, we still have a lot of potential in terms of untapped markets & customers in our domestic institutional formulations business, which has a good runway for growth in the years to come.

We are also placing emphasis on public health and animal health. In recent years, India and many other developing countries have witnessed a significant surge in vector-borne diseases, prompting the government to take action. We have a growing portfolio in this segment and are ramping up retailing and institutional sales to increase adoption, not only supporting government & municipalities in their public welfare initiatives, but at the same time building our own sales channels for sales to other stakeholders in this domain.

Outlook

Looking ahead, our formulations business, both on the branded and institutional sides, will continue to grow at a robust pace for the next few years. Our aim is to at least double this business every three years. Furthermore, the addition of the Active Ingredients vertical to our business model will enhance profitability in our existing formulations business and provide a new growth engine for Dharmaj. It will also enable us to scale up significantly in the Public Health and Animal Health domains in the coming years.

In conclusion, I would like to express my gratitude to all our stakeholders for being part of our growth story. I extend my thanks to our dedicated team members for their immense dedication in building our brand. I am grateful to our customers, farmers, and distribution network for believing in us. And once again, I thank all our shareholders and investors for their faith in our business model. As we embark on a journey that promises to add more value, we seek your continued support in building a better organisation and a better world.

Sincerely,

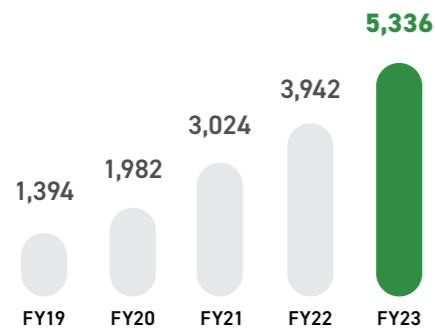
Rameshbhai Ravajibhai Talavia
Chairman and Managing Director

Key Performance Indicators

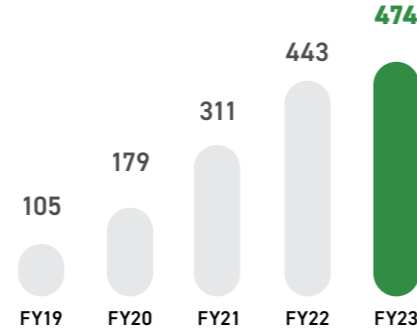
A track record of consistent and predictable performance



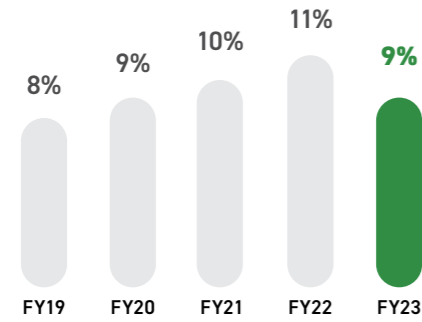
Revenue from Operations
(in ₹ million)



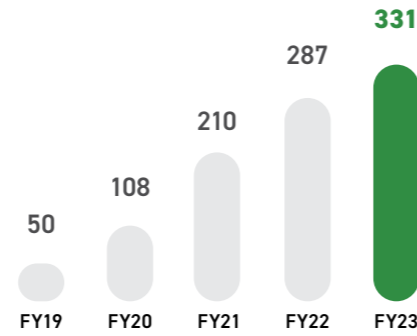
EBITDA
(in ₹ million)



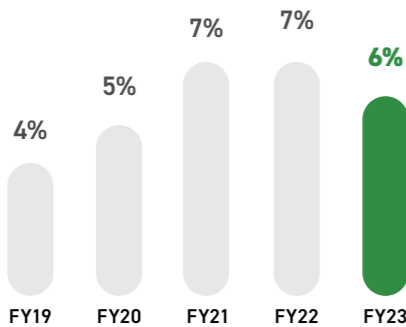
EBITDA Margin
(in %)



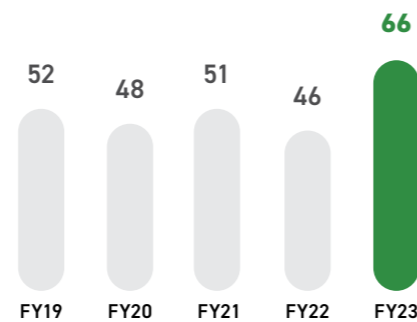
PAT
(in ₹ million)



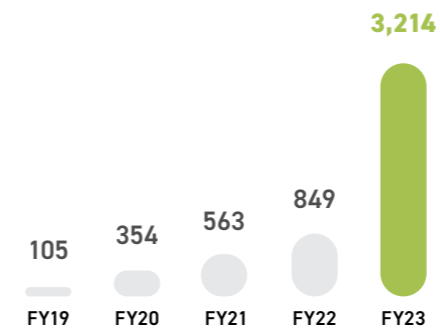
PAT Margin
(in %)



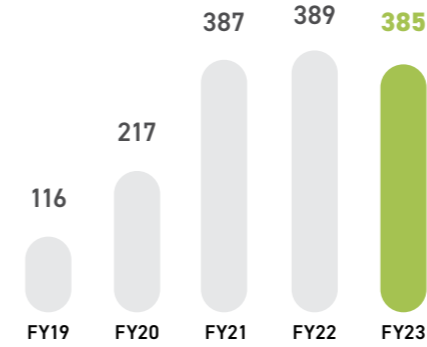
Cash Conversion Cycle
(days)



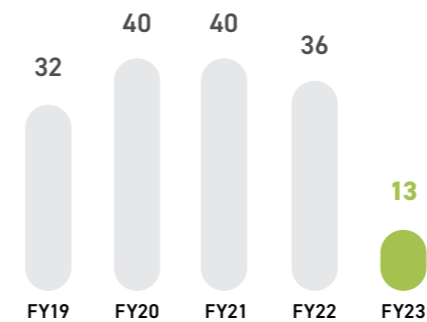
Net Worth
(in ₹ million)



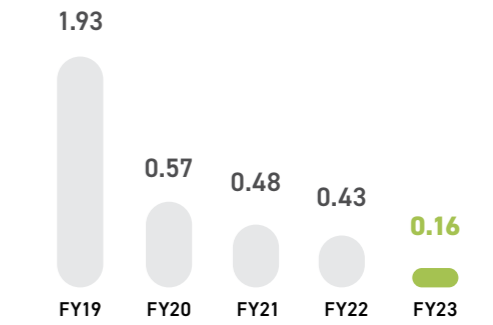
Net Block
(in ₹ million)



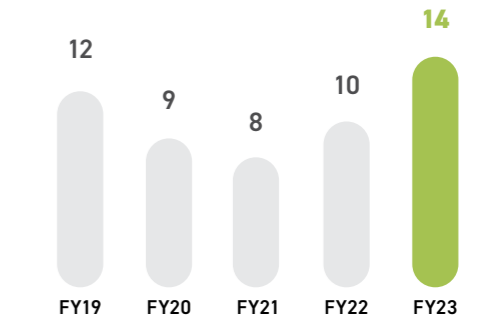
ROCE
(in %)



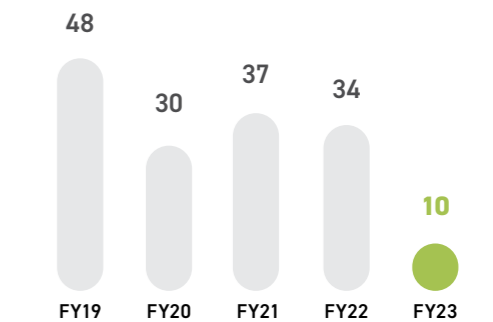
Debt to Equity
(in times)



Fixed Asset Turns
(in times)



ROE
(in %)



Note: ROCE & ROE dipped in FY23 due to higher denominator i.e., Capital Employed & Equity, due to the IPO in Dec-22 | Equity is significantly higher in FY23 due to the IPO in Dec-22

Built To Grow Exponentially

With unmatched operational excellence

At Dharmaj, we have established a state-of-the-art, integrated formulation manufacturing plant having modern equipment enabling us to achieve high-quality production with utmost productivity. Our substantial capacity drives our competitive edge in terms of cost-effectiveness and ability to rapidly scale production to meet business requirements.



Actual photo of formulation facility

Our Plant

Our manufacturing facility located in Kerala GIDC, Ahmedabad. Having modern equipment, automation and implementation of best industry practices, it helps us achieve top-notch quality along with safe and sustainable operations. It is also equipped with a NABL accredited quality control laboratory which allows it to maintain superior quality checks at each stage from procurement of raw materials to dispatch of finished products.

Sustainability

To further the cause of sustainable operations and reducing our carbon footprint, we have installed solar panels at our manufacturing facility, which allows us to generate electricity required for running the manufacturing operations and minimise our electricity costs.

Further, we have installed a wastewater/sewage treatment plant (STP) at our manufacturing facility which is used to remove pollutants from the wastewater generated out of our operations.

Enabled By Integration And Versatility

Our manufacturing facility is fully integrated with processes right from procurement of raw materials to stringent quality checks, mixing, blending, pre-delivery inspection and final dispatch. This ensures high quality and minimal wastes.

This facility is capable of manufacturing all categories of formulation products, such as EC, SC, SL, SG, WDG, WP, DP, GR, CS, and ZC.



Quality control lab and R&D unit at manufacturing site

85,320 KW Installed capacity of solar power plant

7,800 KL Installed capacity of sewage treatment plant

Certified facility



Capacity and utilisation

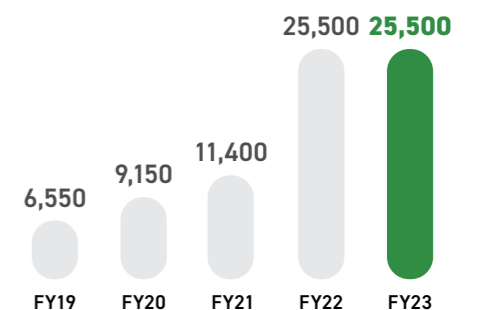
25,500 MT Manufacturing capacity

50% Capacity utilisation (FY23)

Ensuring Operational Excellence

Our manufacturing facility is equipped with both individual and diversified processes, enabling us effectively deploy them optimally as per production plan. Further, most machinery is capable of being used interchangeably across segments with certain modifications. This minimises the need for additional capex to scale up production. Our ability to plan production efficiently based on market understanding and the ability to quickly ramp up operations, helps us minimise inventories in our operations, thus contributing to lean operations.

Manufacturing Capacity (in MT)



Built To Grow Exponentially

By capturing newer opportunities

At Dharmaj, we have devised a robust strategic roadmap to capture the opportunities in the Indian and global agrochemical and crop protection industry and drive our long-term growth.

Enhance Capabilities Through Backward Integration

Our forthcoming agrochemical active ingredients and intermediates capacity will be utilised for internal consumption, allowing us to achieve backward integration and enhance our cost competitiveness. Additionally, we plan to leverage the majority of production from this facility to engage in the external sales of active ingredients in both domestic and international markets.

Following the commercialization of this facility in Q3FY24, our initial focus will be on stabilising the plant operations. We will carefully manage the production ramp up to ensure smooth operations and gradually increase capacity utilisation. Our aim is to reach optimal capacity utilisation within a span of three years from the commencement of commercial operations. This strategic approach will enable us to maximise the potential of the facility.

Reinforce Branded Business

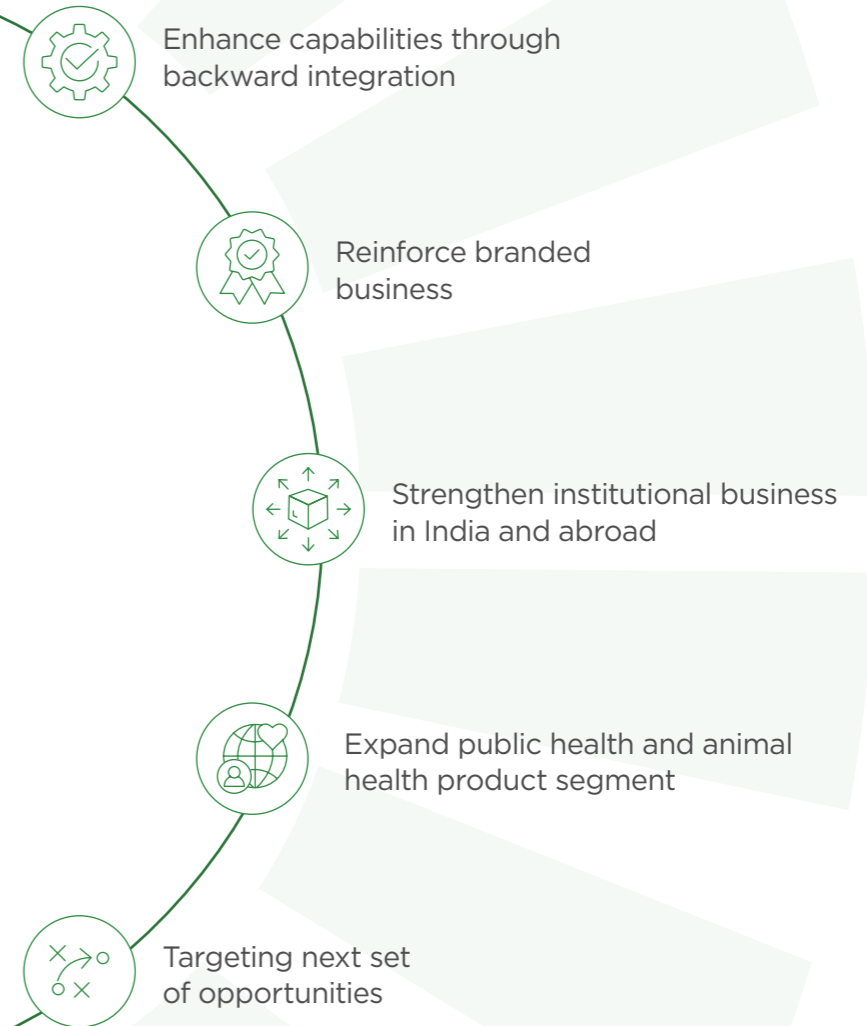
To maintain our focus on sales promotion and strengthen our brand equity, we plan to intensify our efforts in dealer engagement, farmer training programs, field demonstrations, jeep campaigns, and our customer loyalty programmes like Bharat Circle Meet and participation in exhibitions in India and on a global scale. These activities will enhance our brand visibility and create more opportunities for engagement with our target audience.

In line with the digital era, we also aim to leverage various digital platforms to expand our reach and enhance engagement with our customers. This will allow us to effectively communicate our product offerings and value proposition.

To reinforce the strength of our branded business, we will adopt a combination of strategies. This includes continuously launching innovative products, implementing proactive on-ground demand



Dharmaj is positioning to capture opportunities with its 5 pronged approach



generation initiatives, engaging with stakeholders, and implementing innovative trade policies that drive business growth. By implementing these strategies, we aim to strengthen our position in the market and meet the evolving needs of our customers.

Strengthen Institutional Business

Our strategic focus will be on strengthening our institutional formulations business, both domestically and in the export market. In the domestic market, we will leverage our cost competitiveness to attract new accounts across various customer segments. Additionally, we will enhance our engagement with MNCs and larger Indian agrochemical companies to expand our market presence.

In the export market, we will prioritise efforts to increase product registrations and make strategic investments where needed. We will also concentrate

on deepening our presence in existing markets while targeting new markets where we anticipate a favourable environment for initial product registrations. Following the completion of product registrations and our backward integration initiatives, we will significantly ramp up our export business.

Expand Public Health And Animal Health Product Segment

Pyrethroids are widely used to boost crop yield and provide a safer alternative to organophosphate pesticides. But their usage has also grown in public and animal health, comprising ~19% and ~6% respectively.

To seize this opportunity, we plan to expand our pyrethroids product line for the public and animal health vertical. Our portfolio includes insect control, termiticide, larvicide, indoor spray, rodenticide, and cockroach gels under brands like Dhoofon, Dharmexo

Gel, and Podcast 25WP. We aim to build our own sales channels for these product categories. These products are also used in government welfare initiatives to combat malaria, filaria, dengue, chikungunya, and other parasitic diseases. Our upcoming active ingredients manufacturing expansion will support the expansion of this vertical.

Targeting Next Set Of Opportunities

As the Company expands its operations and establishes a strong presence across the value chain through backward integration, it gains momentum and achieves a significant size of operations both in India and globally. This positions the Company to pursue next stage of opportunities such as licensed formulation marketing for patented molecules and strategic collaborations with international players, among other possibilities.

Built To Grow Exponentially

Farmer Engagement

Connecting and building deeper relations

We are driven by the intent of enabling farmers' prosperity by helping them maximise their output. We ensure this with our world-class products, while also regularly engaging with them, providing demonstration and training them on using products to achieve best outcomes. This has helped us in building stronger relations with them and establishing the brand Dharmaj. Recently we conducted 'Fieldotsav' on pan-India level, where our sales & marketing team organised field days with farmers throughout all our markets.



DHARMAJ™

CROP GUARD LIMITED

www.dharmajcrop.com

Manufacture of Agrochemicals & Micro Fertilizers



Sustainability

Growing the responsible way

We are cognisant of the role that we can play in enabling a greener and better world. Focused on this, we have invested in several sustainable technologies & initiatives at our plant that ensures we go beyond the regulatory requirements. We remain focused on continually improving our environmental performance by implementing global best practices and also sensitising our employees.

35%
Energy sourced captively from solar power plant at formulations facility

ZLD
Zero Liquid Discharge formulations facility

7,800 KL
Capacity of in-house sewage treatment plant

Corporate Social Responsibility

Enabling inclusive growth and shared value creation

Dharmaj, being a conscientious corporate entity, diligently fulfills its CSR commitments. The Company effectively executes its CSR initiatives through the Dharmaj Foundation, as well as partnerships with esteemed Trusts and NGOs. The primary emphasis of Dharmaj's CSR endeavors revolves around enhancing the healthcare and educational prospects of its local communities.

₹5.4 million
CSR contribution in FY23



Board of Directors

Leading the way with excellence



Mr. Rameshbhai Ravajibhai Talavia
Chairman and Managing Director



Mr. Rameshbhai Talavia holds a Bachelor's degree in Science (Agriculture) from the Gujarat Agricultural University and has over three decades of extensive work experience in the agrochemical industry. In his previous stints, he has worked with Coromandel International and Crop Life Science. At DCGL, he looks after the overall business strategy of the Company.



Mr. Jamankumar Hansarajbhai Talavia
Whole Time Director



Mr. Jamankumar Talavia holds a bachelor's degree in Science (Agriculture) from the Gujarat Agricultural University and over three decades of extensive work experience in the agrochemical industry. In his previous roles he has been associated with companies like Coromandel International and Crop Life Science. He heads the manufacturing and purchase processes at DCGL's manufacturing facility.



Mr. Jagdishbhai Ravajibhai Savaliya
Whole Time Director

Mr. Jagdishbhai Savaliya holds a bachelor's degree in Science from Saurashtra University. He has over 21 years of work experience, and in his past stints he has worked with companies like Sunrise Pharmaceuticals, Crop Life Science, Sabero Organics Gujarat and Cratus Life Care. He heads the research and development and production process at DCGL's manufacturing facility.



Mr. Deepak Bachubhai Kanparia
Independent Director



Mr. Deepak Kanparia has over 3 decades of experience in the Agro-Marketing field. He holds a bachelor's degree in Technology (Agriculture Engineering) from Gujarat Agriculture University and also has a diploma in Computer Applications from Datatech Computer and has completed Management Development Programme in HR Skills for Non-HR Professional from Nirma University.



Mr. Bhaveshkumar Jayantibhai Ponkiya
Independent Director



Mr. Bhaveshkumar Ponkiya is a practising Chartered Accountant with over a decade of experience in audit and taxation. He holds a bachelor's degree in Commerce and Law from Gujarat University. He has been practising as a CA for a decade, with hands-on experience in audit and taxation.



Ms. Amisha Fenil Shah
Independent Director



Ms. Amisha Shah has over seven years of experience in secretarial matters. She holds a bachelor's degree in Commerce from Gujarat University and a bachelors' degree in law from Gujarat University and is a member of ICSI.

Board Committee Key

Chairman

Member

Audit Committee

Nomination Committee

Stakeholder Grievances Committee

Corporate Social Responsibility Committee

Management Team

Key Management Personnel



Mr. Rameshbhai Ravajibhai Talavia
Chairman and Managing Director

Work Experience:
30+ years

Ex:
Coromandel International,
Crop Life Science



Mr. Vishal Domadia
Chief Executive Officer

Work Experience:
14+ years

Ex:
Excel Crop Care,
Cheminova India, Sumitomo
India, Crop Life Science



Mr. Vinay Joshi
Chief Financial Officer

Work Experience:
25+ years

Ex:
Akar Auto Industries, IRM (Cadila
Pharma Group), Karvy Comtrade,
Satyam Computers, Panasonic
India, Gemstone Glass



Mrs. Malvika Bhadreshbhai Kapasi
Company Secretary and Compliance Officer

Work Experience:
6+ years

Ex:
Kayel Securities,
Ideal Systems and
S.S.B.I. Exports

Senior Management Personnel



Mr. Hitesh Patel
Vice President -
Marketing

Work Experience: 19+ years

Ex: BASF India, Monsanto
India, Bayer Crop Science,
SML Group



Mr. Bhupendra Varasada
Head of Operations -
Sayakha Unit

Work Experience: 32+ years

Ex: Sabero Organic,
Heranba Industries, UPL,
Hemani Industries



**Mr. Mahesh Raghavan
Vellichiramalnelika**
Deputy General Manager - Exports

Work Experience: 32+ years

Ex: Meghmani Organics



Mr. Jitendra Modha
Deputy General Manager - Quality

Work Experience: 28+ years

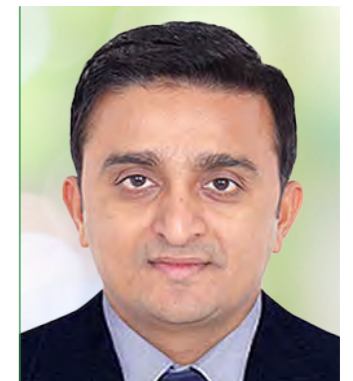
Ex: Sabero Organics



Mr. Kalpesh C. Patel
Senior Manager Accounts

Work Experience: 15+ years

Ex: Jyoti Power
Corporation, Elitecore
Technologies, Jaihind
Projects



Mr. Mehulkumar H. Polara
Manager - Institutional Sales

Work Experience: 13+ years

Ex: Bayer India, Excel Crop
Care, Akshay Seed Tech Co.

Management Discussion and Analysis



Economy Review

Global economy

The global economy is gradually recovering from the downturn experienced in CY 2022, which was influenced by a range of challenges and heightened market volatility. Factors such as the Russia-Ukraine war, supply chain disruptions, and high inflation resulted in central banks worldwide raising interest rates, thus significantly impacting major economies. Inflation rates soared to multi-year highs in countries like the US and the UK, with the global average reaching 8.8% in CY 2022. However, inflation has since subsided to a considerable extent due to tightening monetary policies.

These events exerted downward pressure on market sentiment and economic activities, particularly in developed markets. Emerging markets and developing economies also experienced slower growth, partly due to China's stringent zero-COVID policy and the slowdown in the real estate sector. As a consequence, global economic growth declined to 3.4% in CY 2022 compared to the 6% growth observed in CY 2021. European economies, heavily reliant on Russia and Ukraine for their food and energy needs, suffered greatly from supply chain disruptions and an energy price crisis triggered by the war. This had a direct impact on the manufacturing sector, leading to production cuts. Growth in the Euro area stood

at 3.5% in CY 2022. The US economy also felt the effects of high inflation and supply chain issues, resulting in a growth rate of 2%.

Outlook

Despite initial predictions of a global economic recession in CY 2023, the markets performed better than anticipated in the latter part of CY 2022 and Q1 CY 2023. During this period, inflation reached its peak in most countries, while consumer sentiments and spending improved. The relaxation of China's fiscal stance, coupled with the country's efforts to stimulate its economy, bodes well not only for China but also for the global economy as a whole. As a result of these developments, global inflation is projected to decline to an expected 6.6% in CY 2023 and further to 4.3% in CY 2024. The global economic growth is estimated to be 2.9% and 3.1% respectively during these years. However, it is anticipated that the growth rate of the US economy will decelerate to 1.4% in CY 2023, while the Euro area is expected to experience a growth rate of 0.7%.

Indian economy

The Indian economy exhibited remarkable performance in FY23, surpassing global trends. Robust domestic demand, coupled with the outstanding performance of the manufacturing sector driven by the shift in global supply chains

and India's pursuit of self-reliance, contributed to an estimated GDP growth of 6.8% in FY23. Notably, the country's exports reached \$750 billion, while GST collections rose by approximately 21% to ₹18.1 trillion. In terms of inflation, India experienced a peak of 7.8% in April 2022. However, the Reserve Bank of India (RBI) implemented multiple rate hikes, resulting in an increase in repo rates from 4% to 6.5% by February 2023.

Outlook

As we enter FY 2023-24, the Indian economy continues to stand on a solid foundation, with the International Monetary Fund (IMF) projecting a growth rate of 6.1%. This growth is expected to contribute significantly, accounting for 15% of the global GDP growth. The government's strong policy decisions will serve as a catalyst for this growth, particularly its efforts to position India as a global manufacturing hub to attract investments. Furthermore, the increased allocation of ₹10 lakh crores for infrastructure development will play a vital role in supporting economic expansion. These initiatives reflect the government's commitment to creating a favourable environment for sustainable growth in the Indian economy.

Industry Review

Indian agriculture sector

The agriculture sector holds immense significance in India, as it supports the livelihoods of over 50% of the population and contributes nearly 16% to the country's GDP. India has established itself as a leading global producer of various agricultural commodities, including rice, wheat, sugar, cotton, and horticulture, among others.

Despite facing challenges such as erratic and delayed rainfall, FY23 proved to be a favourable year for the Indian agriculture sector. According to the second advance estimates, the country achieved a record foodgrain production of 3,235.54 lakh tonnes, which is an increase of 79.38 lakh tonnes compared to the previous year. Additionally, all major crops witnessed record production levels, with rice reaching 1,308.37 lakh tonnes and wheat reaching 1,121.82 lakh tonnes. (Source: Ministry of Agriculture & Farmers Welfare Second Advanced Estimates) [AM1]

In FY23, India witnessed a notable increase in exports of principal agricultural commodities and processed food products (excluding tobacco, spices, cashew, and marine products). The exports rose by approximately 13% from \$ 23.98 billion in FY22 to \$ 27.88 billion. This growth can be attributed to the increased exports of rice, oil meals, and fruits and vegetables, which played a significant role in driving the overall export performance. (Source: Ministry of Commerce) [AM2]

Management Discussion and Analysis

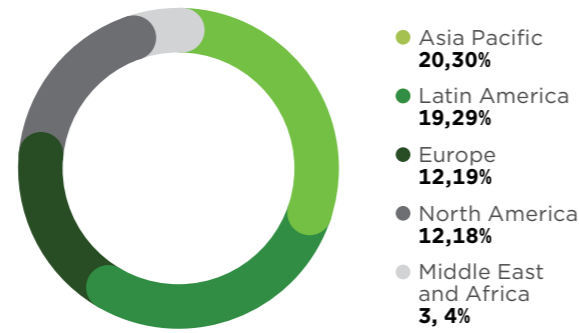
Agrochemicals Industry

Global pesticide industry

The global pesticide industry has experienced consistent growth over the years and can be broadly categorised into herbicides, fungicides, and insecticides. According to the Royal Society of Chemicals, there are over 800 chemically active ingredients registered globally for use as crop protection solutions.

Among these segments, herbicides hold the dominant position due to the shortage of labour for mechanical weeding in developed countries and their ability to provide higher efficiency. In terms of regional markets, Asia Pacific is the largest market for agrochemicals, followed by Latin America, accounting for 30% and 29% of the market share, respectively. The growth in Asia Pacific can be attributed to the increasing awareness of crop protection products among small and marginal producers. The region is expected to continue its strong growth trajectory, driven by the expansion of land under cultivation for high-value, export-oriented crops, as well as the rising demand for crops to support a growing population.

Region-wise share of global pesticides market for 2020
(\$ billion, %)



The global pesticides market is projected to expand at a compound annual growth rate (CAGR) of 1.6-1.8% from \$ 67 billion in FY20 to approximately \$ 71 billion by FY24. All major segments, including herbicides, fungicides, and insecticides, are expected to follow a similar growth trend during this period. The herbicides segment is forecasted to grow at a CAGR of 1-1.2% to reach \$ 26 billion by FY24, fungicides at 1.5-1.7% to reach \$ 18 billion, and insecticides at 1.6-1.8% to reach \$ 16 billion.

Segments of global pesticides industry and its outlook

(in \$ billion)

Segments	2019	2020E	2024E	Outlook CAGR
Crop market				
Herbicides	25	25	26	1.0%-1.2%
Fungicides	16	17	18	1.5%-1.7%
Insecticides	15	15	16	1.6%-1.8%
Others	2	2	2	1.9%-2.1%
Total crop market	58	59	62	1.3%-1.5%
Non-crop market	8	8	10	4.5%-5.0%
Total global pesticides market	66	67	71	1.6%-1.8%

(Source: CARE EDGE report)

Indian pesticide industry

India holds a significant position as a major producer and exporter of agrochemicals globally. India is the 2nd largest producer, led by the USA, Japan and China. Further, India is a net exporter of agrochemicals and has emerged as the 13th largest exporter of pesticides globally. However, the per capita consumption of agrochemicals within the country remains relatively low at around 0.65 kg compared to 4.8 kg in the USA. This disparity can be attributed to the highly fragmented nature of agriculture in India, with numerous small and marginal farmers who have limited access to and utilisation of agrochemicals, resulting in lower productivity. Furthermore, approximately 20-25% of the total food produced in India is lost due to pests and diseases.

Considering the increasing population and the focus on improving the nutrition of the majority of citizens, there is a growing need to enhance agricultural yields through the usage of agrochemicals. The Government of India has actively promoted their use through various schemes and awareness initiatives.

As a result, the usage of pesticides in India has been steadily increasing. The market for pesticides and other agrochemicals in the country is expected to grow from \$ 6.7 billion in FY21 to \$ 7.9 billion in FY24, with a compound annual growth rate (CAGR) of 7 to 8%. Insecticides currently hold the largest market share at 55%, followed by herbicides at 23%, and this trend is expected to persist. The total output of pesticides is also projected to increase from 255 thousand tonnes in FY21 to 282 thousand tonnes in FY24.

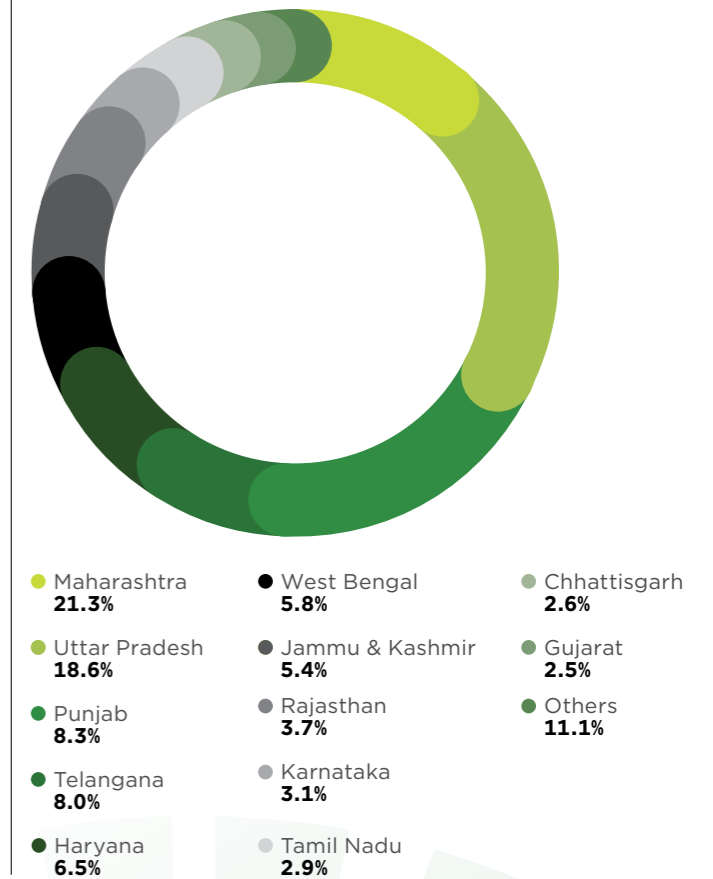
(Source: CARE EDGE report)

As per CRISIL, the Indian agrochemical industry's revenues were estimated to grow by 15-17% [AM3] in FY23 and by 10-12% in FY24, as the country benefits from the China+1 strategy. Exports are expected to be one of the key contributors to this growth, accounting for over 50% of the total revenues. This was evident in FY22, with India remaining a net exporter of agrochemicals with an export of ₹36,521 Crores [AM4] as against an import of ₹13,363 Crores.

In terms of regional distribution, Maharashtra and Uttar Pradesh are the major contributors to the total chemical pesticides consumption in India, accounting for a significant share of 21.3% and 18.6%, respectively. Punjab and Telangana each held around 8% of the overall consumption. Haryana, West Bengal, and Jammu & Kashmir contributed in the range of approximately 5% to 6.5%. Rajasthan, Karnataka, Tamil Nadu, and Chhattisgarh held a share of around 2.5% to 4%. The remaining states and Union Territories (UTs) collectively accounted for 13.6% of the total chemical pesticides consumption during the year 2020-21.

State-wise share of pesticides consumption in India

(%)



Management Discussion and Analysis

Factors driving growth of Indian agrochemicals industry:

Rising food grains demand against declining arable land:

India, being one of the most populated nations, continues to experience rapid population growth. However, the availability of arable land for agriculture is declining. This situation necessitates the need to enhance productivity and yields in order to meet the rising demand for food grains.

Rising export demand:

There has been a notable shift in the global supply chain following the pandemic and the Russia-Ukraine war, with countries adopting the China+1 model. In this context, India has emerged as a favoured destination. The agrochemicals industry in the country has made significant progress in terms of quality and volume. Additionally, the restrictions on agrochemical manufacturing in China have created favourable conditions for the Indian agrochemicals industry.

Off-patent demand:

The expiration of patents for various molecules in the next two years, estimated to be worth \$ 4 billion, presents significant export opportunities for domestic companies, as stated by CRISIL.

Government support:

The government has been supportive of the agrochemicals sector through various schemes that provide subsidies and credit facilities. Additionally, there has been an active effort to raise awareness about the benefits of agrochemicals. In the Union Budget 2023-24, the allocation for agriculture has been increased by 5% to 1.25 lakh Crores, which will further contribute to the growth of the sector.

Climate change and pest attack:

Climate change and pest attacks pose significant challenges to Indian agriculture. Around 20-25% of crops in India are damaged due to diseases and pest attacks, making the efficient use of agrochemicals crucial in preventing such losses. Furthermore, the increasing instances of floods, erratic rainfall, and delayed rainfall further add to the challenges faced by farmers. To overcome these challenges, it is necessary to provide farmers with better tools and support, including the use of agrochemicals.



Company Overview

Dharmaj Crop Guard Limited (referred to as 'Dharmaj', 'DCGL', or 'the Company') is a rapidly growing agrochemicals Company headquartered in Ahmedabad. The Company is involved in the manufacturing, distribution, and marketing of a wide range of agrochemical formulations including insecticides, fungicides, herbicides, plant growth regulators, and micro fertilisers. These products are supplied to both B2B customers (institutional customers in India and internationally) and B2C customers (farmers through dealers and distributors).

Sales to B2B customers are conducted in bulk through customer orders, while B2C sales are made under the Company's own brands. Dharmaj has recently diversified into the manufacturing and sale of general insect and pest control chemicals for public health and animal health protection.

With a total of 490 registrations for agrochemical products, including 200 exclusive registrations for export markets, Dharmaj has established a strong presence in the industry. The Company has also obtained 10 Technical registrations, with 14 more currently under registration. Dharmaj has built robust formulations manufacturing capabilities and operates a manufacturing plant located in Kerala GIDC, Ahmedabad. The plant has a total capacity of 25,500 MT for formulations manufacturing.

Additionally, the Company has a NABL accredited quality control lab and a dedicated R&D centre on site at Kerala GIDC.

Dharmaj's products have gained significant market acceptance. The Company serves over 730 institutional customers and its branded products are sold across 20 states in India through a network of more than 4,500 dealers and distributors, reaching over 13,500 retail touchpoints. Internationally, Dharmaj has a presence in 26 countries across Latin America, East Africa, the Middle East, and Far East, catering to over 70 export customers.

In order to further expand its operations and strengthen its position in the industry, the Company is in the process of setting up a new plant in Sayakha, Gujarat. This plant will focus on manufacturing agrochemical active ingredients and their key intermediates. With a production capacity of 8,000 TPA, this venture into the active ingredients segment will enable Dharmaj to become a fully integrated player across the agrochemical chain. This backward integration strategy is expected to enhance profitability and reinforce the existing formulations business while serving as a new growth driver for the Company. Furthermore, it will provide opportunities for Dharmaj to enter the public health and animal health segments on a larger scale.

Financial Review

Performance Discussion

The Company delivered resilient financial performance in FY23 despite external and macro challenges in the agrochemical industry. Revenue from Operations for the year reached an all time high of ₹5,336 million, as compared to ₹3,942 million in FY22, registering an increase of 35% year on year. Profitability margins compressed to an extent, with slight reduction in Gross Margins from 20% in FY22 to 18% in FY23. Subsequently, EBITDA margins also registered a decrease from 11% in FY22 to 9% in FY23. Couple of factors led to suppressed profitability margins, in H2FY23, the Company witnessed an average 25% reduction in sales realisation in line with the industry trend, this coupled with higher operating costs on account of a growing sales team and higher thrust on sales promotion and marketing expenditure led to the impact on profitability. With the business kicking in from newer markets in the coming financial year, coupled with business growth in general, we rationalize of these expenses and thus better profitability. Our Net Profits for the year stood at ₹331 million, as compared to ₹287 million in the previous year, thus registering a growth of 15% over the previous year.

Management Discussion and Analysis

Profit & Loss Statement (in ₹ million, unless specified)

Particulars	FY22	FY23	YoY Change
Revenue from Operations	3,942	5,336	35%
Total Income	3,963	5,381	36%
Gross Profit	799	956	20%
Gross Profit Margin (%)	20%	18%	(236 BPS)
Operating Expenses	356	482	35%
EBITDA (Excluding OI & EI)	443	474	7%
EBITDA Margin (%)	11%	9%	(21%)
Finance Cost	26	23	(11%)
Depreciation & Amortisation	53	51	(4%)
Profit Before Taxes (and EI)	385	445	15%
Profit After Taxes	287	331	15%
Profit After Taxes Margin (%)	7.24%	6.15%	(15%)
Earnings Per Share (₹)*	11.62	12.03	

*EPS not annualised

Key Financial Ratios

	FY22	FY23	Deviation	Remarks
Debtors turnover	5.20	5.77	10.91%	-
Inventory turnover in days	31.80	34.55	8.65%	-
Current ratio	1.44	3.62	151.28%	Due to unutilized IPO proceeds held as fixed deposit having maturity of less than 12 months as at 31.03.2023.
Debt:equity	0.43	0.16	(62.50%)	Due to repayments of Short term and long term borrowings and also increase in equity & securities premium amount on account of IPO.
Return on equity %	34.64	10.31	(70.25)	Increase in share capital and securities premium on account of IPO.
Net profit ratio %	7.28	6.21	(14.73%)	-
Return on capital employed %	32.87	12.34	(62.47%)	Increase in share capital and securities premium on account of IPO

Outlook

While the immediate outlook for the Indian agrochemicals industry remains challenging driven by a number of short-term factors such as higher inventories, destocking throughout the trade channel, declining prices of agrochemicals and raw materials, coupled with subdued demand from various international markets; the long term drivers for the industry remain intact. Being driven by the increasing need to enhance agricultural output, combat crop damages caused by diseases and pest attacks, and support a growing population. Dharmaj will benefit from these factors, with its branded formulations and institutional formulations gaining traction in both domestic and international markets.

In the branded formulations business, the Company is focused on constantly expanding and refreshing its portfolio and strengthening its brand equity through dedicated engagement initiatives with farmers and dealers and aggressive demand generation activities. It aims to deepen its presence in existing markets and explore opportunities in new markets, like the 6 new states added in FY23.

For the international formulations business, Dharmaj is committed to improving cost-efficiencies to reinforce its market positioning. This includes backward integration by establishing a dedicated plant for manufacturing Agrochemical Active Ingredients and Intermediates. This strategic move will enhance the availability of raw materials and generate cost savings, strengthening the formulations business. The Company has also increased engagements with domestic and international customers to secure new business opportunities. Additionally, the products manufactured through this integration will create possibilities for product development in the public health and animal health sectors. Dharmaj is actively working on expanding its product registrations in international markets, including preparing for expansion in Brazil and other Latin American Markets.

Overall, Dharmaj Crop Guard Limited is well-positioned to capitalise on the growth opportunities in the agrochemicals industry, leveraging its strong presence in both domestic and international markets while focusing on portfolio expansion, cost-efficiency, and customer engagement initiatives.

Risk Management

Dharmaj Crop Guard Limited acknowledges the presence of risks in its business and proactively assesses, monitors, analyses, and mitigates them. Here are the key risks identified by the Company and their corresponding mitigation strategies:

Demand risk

A weak macro-economic environment and erratic or delayed monsoons can lead to low demand for agrochemicals.

Mitigation: Mitigation measures include constant monitoring of the industry situation, pro-active client engagements, and closely following climate forecasts. The Company's diversified operations across products, customer segments, and geographies help mitigate dependence on any single revenue area.

Quality risks

Inability to maintain stringent quality standards can result in loss of customers, damage to brand reputation, and regulatory fines.

Mitigation: The Company mitigates this risk by placing paramount importance on quality. Its plants are equipped with a NABL accredited quality control laboratory with advanced instrumentation & testing equipment. The Company monitors every step of the manufacturing process from procurement to final dispatch, ensuring high standards of quality. Dharmaj's operations are also ISO 9001:2015 certified.

Competition risk

Competition from domestic and international players can impact the Company's business and market share if it fails to provide high-quality, high-performing products, maintain supply reliability, and launch innovative solutions.

Mitigation: Mitigation strategies include consistently launching quality products, meeting evolving customer needs, focusing on cost reduction to ensure competitive pricing, expanding the customer base through promotional activities, and strengthening relations with farmers and dealers. The Company has established a portfolio with 121+ brands and 350+ SKUs. The Company also focuses on innovative launches each year, which drive demand generation and profitability at the portfolio level for the Company.

Management Discussion and Analysis

Inventory management risks

The Company always needs to maintain optimised inventory levels to ensure it can meet demand rapidly while also preventing a situation of holding high inventory levels which involves costs and the risk of inventory write-offs. The Company further needs to effectively forecast demand of the right products, to plan production accordingly.

Mitigation: To mitigate the risk associated with inventory management, Dharmaj Crop Guard Limited implements a strategic approach to maintain minimal levels of finished goods inventory. The Company adopts lean principles in its formulation operations, ensuring efficient resource utilisation. Furthermore, Dharmaj carefully manages inventory for volatile and high-value raw materials, preferring to maintain limited quantities. Conversely, for less volatile and lower-value raw materials, the Company may opt for longer-duration stock. Production planning is conducted periodically, allowing the Company to adjust schedules and volumes based on actual orders received and industry outlook. By implementing these proactive measures, Dharmaj optimises inventory levels, minimises holding costs, and effectively meets customer demands.

Employee risks

The agrochemical business requires skilled talent, and employees play a crucial role in maintaining relationships with the dealer network. Inability to attract or retain the right talent can impact operations and lead to business losses.

Mitigation: Mitigation measures include programs for health, safety, learning, and development, ensuring fair remuneration, providing periodic training, and maintaining a stable key managerial team. DCGL is proactively working on skill enhancement programmes for employees. These initiatives have increased employee satisfaction, motivation, and reduced attrition levels.

Safety, Health and Environment

Ensuring the safety of individuals, communities, and the environment is of utmost importance to Dharmaj Crop Guard Limited. The Company upholds world-class safety standards within its manufacturing facility, maintaining a track record of zero accidents at the manufacturing facility in FY23. Stringent measures are in place, including the establishment of comprehensive health and safety guidelines that mandate the use of safety equipment. Dharmaj also emphasises workplace cleanliness and orderliness to prevent accidents, coupled with robust accident reporting protocols.

To further enhance safety preparedness, the Company provides training on fire safety and conducts regular safety drills. A dedicated health centre is available at the manufacturing facility, with our own ambulance and regular health check up for all employees to address daily health concerns, minor injuries, and periodic checkups. Dharmaj also prioritises the security of its workers at the factory and its employees at different locations by providing them with insurance coverage.

In terms of environmental safety, the Company strictly adheres to all relevant environmental regulations. It has implemented a soil bioreactor wastewater treatment plant at its facility, ensuring the removal of pollutants and effective treatment of wastewater and sewage before discharge. Additionally, Dharmaj has made significant investments in solar panels, boasting a capacity of 85,320 KW per annum. This commitment to renewable energy sources contributes to a reduction in conventional energy consumption, promoting environmental sustainability.

Human Resources

Employees are a key resource, and the Company places great importance on their growth, development and well-being. Learning and development is an important focus area for the Company. Technical training was conducted for the workers. Further, the Company also undertook soft skills training sessions for the engineers and workers. During the year, the Company undertook various training programmes towards this, including fire and safety drills, workshops on Microsoft Office, free health checkups, offsite programs, among others.

As on March 31, 2023, the Company had a total of 409 employees, including 326 permanent & 83 contractual workers. It maintained cordial relations and there were no issues with the labour unions.



Information Technology

Dharmaj has been effectively using digitisation initiatives and technology to enable it to bring more efficiency in its operations and empower its dealer network. The Company has invested in robust ERP systems to power critical processes like sales, finance, human resources, manufacturing, supply chain and order management among others.

It is enabling the Company to achieve improved visibility of operations, make informed decisions with analytics, and also bring more efficiency across various functions. The system provides the Company with real-time information across departments, empowering it to make data-driven decisions, manage performance and take corrective actions. It is also helping the Company bring more transparency and accountability in operations.

To support the dealers, the Company has developed a mobile application. It has features like order, payment and billing management, accounting reports and sales analysis that enable dealers to operate with better efficiency.

Internal Control Systems and Adequacy

The Company's internal financial control framework is aligned with the regulatory requirements of its industry and is commensurate with the size and nature of its business. Dharmaj has in place well-defined processes, systems and policies to safeguard its assets and ensure business continuity. The Company has also implemented ERP systems towards automating control

409

Total Employees as on March 31, 2023

transactions. The Internal Audit function undertakes the responsibility of determining the efficacy of controls on a regular basis. All reports are submitted to the Audit Committee for further actions.

Cautionary Statement

Statements in the Management Discussion & Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include among others, climatic conditions, economic conditions affecting demand-supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

Click below for links

[AM1]

[AM2]

[AM3]

[AM4]

Corporate Information

Board of Director

- Mr. Rameshbhai Talavia, Chairman & Managing Director
- Mr. Jamankumar H. Talavia, Whole Time Director
- Mr. Jagdishbhai R. Savaliya, Whole Time Director
- Mr. Deepak Bachubhai Kanparia, Independent Director
- Mr. Bhaveshkumar Jayantibhai Ponkiya, Independent Director
- Mrs. Amisha Fenil Shah, Independent Director

Chief Executive officer

Mr. Vishal Domadia, Chief Executive Officer
[Resigned from the post of Chief Financial Officer
w.e.f. 05-01-2023 and appointed as Chief Executive officer
w.e.f. 06-01-2023]

Chief Financial officer

Mr. Vinay Joshi, Chief Financial Officer
(Appointed w.e.f. 06-01-2023)

Company Secretary and Compliance officer

Mrs. Malvika Bhadreshbhai Kapasi

Auditors

Statutory Auditor

K A R M A & Co. LLP, Chartered Accountants
503, 5th Floor, Patron, Opp. Kensvilla Golf Academy,
Rajpath Club to S. P. Ring Road, Bodakdev, Ahmedabad -380054
(Resign as Auditor from 26-06-2023)

M/s. MSKA and Associates, Chartered Accountants

(Appointed as Auditor from w.e.f. 27-06-2023)
The First, Block C - 907 & 908
Behind ITC Narmada,
Keshavbaug, Vastrapur Ahmedabad, 380015

Cost Auditor

Dalwadi & Associates, Cost Accountants
403, Ashirwad Complex, B/h Sardar Patel Seva Samaj,
Mithakhali Six Roads, Ahmedabad - 380006.

Secretarial Auditor

Parikh Dave & Associates, Company Secretaries

5-D, Vardan Exclusive, Next to Vimal House, NR. Stadium Petrol
Pump, Navrangpura, Ahmedabad, Gujarat - 380014.

Registrar & Transfer Agent

Link Intime India Private Limited

506 To 508, Amarnath Business Centre - 1, Beside Gala
Business Centre, Nr. St. Xavier's College Corner, Off Chimanlal
Girdharlal Rd, Sardar Patel Nagar, Ellisbridge,
Ahmedabad - 380006

Bankers

HDFC Bank Limited
State Bank of India

Contact Details

Registered Office & Factory

Plot No. 408-409-410- 411,
Kerala GIDC Estate, Off NH-8,
At: Kerala, Tal.: Bavla,
Dist: Ahmedabad-382220.

Factory Unit II

Plot No. DP - 154, GIDC - Chemical Zone, Saykha-II,
Tal Vagra, District - Bharuch, Gujarat - 392 140

Corporate Office

Office No. 901 to 903 & 911,
B-square 2, Iscon Ambli Road,
Ahmedabad -380058, Gujarat(India).

Mail Id: info@dharmajcrop.com

Contact No.: 079-26893226

Website: www.dharmajcrop.com

Board's Report 2022-23

To
The Members,

Your Directors have pleasure in presenting the 9th (Ninth) Annual Report on the business and operations of the Company together with the audited financial statements for the financial year ended March 31, 2023.

1. Financial Results

The financial results of the Company for the year ended March 31, 2023 are summarized below:

Particulars	(₹ in Millions)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Operations	5335.31	3942.08
Other Income	45.08	20.80
Total Revenue	5380.59	3962.88
Expenses	4935.87	3577.57
Profit before tax	444.72	385.31
Tax Expenses	113.62	98.41
Profit for the year	331.10	286.90
Total Comprehensive Income/(Loss) for the period	330.99	287.39

2. Reserves

No amount has been transferred to reserves during the financial year.

3. Dividend

In order to conserve the resources, your Board of Directors has not recommended dividend during the year. (In last year Dividend was declared of ₹ 0.10 per equity share of ₹ 10/-)

4. State of Company's Affairs & Future Outlook

Some of the highlights of the performance of the Company are as under:

- Revenue from Operations for the year reached an all-time high of ₹ 5,336 Millions, as compared to ₹ 3,942 Millions in FY22, registering an increase of 35% year on year. This performance is despite the external and macro challenges prevalent in the agrochemical industry during the year.
- Profitability margins compressed to an extent, with slight reduction in Gross Margins from 20% in FY22 to 18% in FY23. Subsequently, EBITDA margins also registered a decrease from 11% in FY22 to 9% in FY23.
- Couple of factors led to suppressed profitability margins, in H2FY23, the Company witnessed an average 25% reduction in sales realisation in line with the industry trend, this coupled with higher operating costs on account of a growing sales team and higher thrust on sales promotion and marketing expenditure led to the impact on profitability.
- Thus, Net Profits for the year stood at ₹ 331 Millions, as compared to ₹ 287 Millions in the previous year, thus registering a growth of 15% over the previous year.

- The earnings in foreign currency has also been increased to ₹ 0.63/- Millions in the financial year 2022-2023.

5. Change in Nature of Business

There is no change in nature of the business of the Company.

6. Credit Rating

Our Company's bank loan facilities of amounting to ₹ 155.05 Crores are domestically rated by CRISIL Ratings Limited as CRISIL BBB/stable as on January 17, 2023 Short term rating CRISIL A3+.

7. Material Changes and Commitments, If Any, Affecting The Financial Position of The Company, Having Occurred Since The End of The Year and till The Date of The Report

There were no material changes affecting the financial position of the Company, occurred between the end of financial year to which the statement relates and the date of Directors' Report.

8. Change in Capital Structure

During the year under review, your Company made a strong stock market debut and completed the Initial Public Offering (IPO) of 9,113,924 Equity Shares of Face Value of ₹10 each, aggregating to ₹ 2,159.45 Millions

The IPO comprised an offer for sale of 1,483,000 Equity Shares aggregating to ₹ 351.47 Millions by 709,500 Equity Shares by Manjulaben Rameshbhai Talavia, 656,000 Equity Shares by Muktaben Jamankumar Talavia, 87,500 Equity Shares by Domadia Artiben and 30,000 Equity Shares by Ilaben Jagdishbhai Savaliya (Collectively, The "Selling Shareholders"), aggregating to ₹ 351.47 Millions (The "Offer For Sale" and Together With The Fresh Issue, The "Offer").

The total Authorized Share Capital of your Company is ₹ 350 Millions divided into 35,000,000 equity shares of ₹ 10/- each. The total Paid up Equity Share capital of your Company is ₹ 337.97 Millions divided into 33,797,296 equity shares of ₹ 10/- each.

The equity shares of your Company were listed on National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') on December 8, 2022 at a 12% premium to its issue price of ₹ 237 per equity share. As on March 31, 2023, the total shareholding of the Promoters' Group of your Company is 70.40% and none of the Promoter/Promoters' Group shareholding is under pledge. Further, in compliance with Regulation 31(2) of SEBI Listing Regulations, 2015, the entire shareholding of promoter(s) and promoter group is in dematerialized form.

Changes in paid up/issued Capital

During the Financial year 2022-23, the Company's issued/paid up capital was increased from ₹ 246,833,720 to ₹ 337,972,960 comprising of 33,797,296 number of equity shares of face value ₹ 10 each.

9. Investor Education and Protection Fund (IEPF)

There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

10. Directors & Key Managerial Personnels

Compositions

The Board currently consists of 6 (Six) Directors. There is no change since last year.

Changes in the Management

During the year Mr. Vishal Domadia resigned as a Chief Financial Officer and has been appointed as Chief Executive officer of the Company on January 6, 2023. Mr. Vinay Joshi has been appointed as Chief Financial Officer with effect from January 6, 2023

Directors liable to Retire by Rotation

Pursuant to the provisions of Section 152(6)(c) of the Companies Act, 2013, Mr. Jagdish Savaliya (DIN: 06481920) retires by rotation and being eligible, offers himself for re-appointment. The resolution proposing the re-appointment of the Director are set out in the notice convening Annual General Meeting for approval of members. The Board recommends for approval of the same.

Declarations & Disclosures

On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

The independent directors have individually declared to the Board that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there is no change in the circumstances as on the date of this report which may affect their status as an independent director.

They have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Company keeps informed independent directors about changes in the Companies Act, 2013 and rules and other related laws from time to time and their role, duties and responsibilities.

Board Meetings

During the financial year under review, 10 (Ten) meetings of the Board of Directors were held. The details of the Board Meeting have been appended in the **Annexure A**. The intervening gap between two board meetings did not exceed prescribed period as per the Companies Act, 2013.

Remuneration

The details of the remuneration of the Directors have been provided in the notes to the Accounts under related party transaction.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder, Schedule - IV of the Act and SEBI (LODR) Regulations, 2015, the Board has carried the evaluation of its own performance, individual directors, its committees and Key Managerial Personnel, on the basis of attendance, contribution and various criteria as recommended by the Nomination and Remuneration Committee of the Company.

The performance of Non-Independent Directors (including the chairperson) and the Board as whole was also evaluated by the Independent Directors at the separate meeting of Independent Directors of the Company. The Directors expressed their satisfaction with the evaluation process.

Policy on Directors appointment and remuneration

The policy on Nomination and Remuneration is attached separately as an Annexure D to this Report.

Familiarisation Programme for Independent Directors

The Directors are regularly informed during meetings of the Board and Committees on the business strategy, business activities, manufacturing operations, regulatory updates etc. The Directors when they are appointed are given a detailed orientation on the Company, industry, regulatory matters, business & financial matters, human resource matters and corporate social responsibility. The details of Familiarization programmes provided to the Independent Directors of the Company are available on the Company's website <https://www.dharmajcrop.com/investors-disclosures-under-regulation-46-and-62-of-sebi-lodr-regulations-2015/> Key policies

Remuneration received by Managing/Whole-Time Director from holding or subsidiary Company

The Company do not have any holding or subsidiary Company. Therefore, no remuneration was received by the directors of the Company from the Holding or Subsidiary Company.

Directors' Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, your Directors state that:

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the directors had prepared the annual accounts on a going concern basis; and
- v) the Company being unlisted sub clause (e) of section 134(3) is Not Applicable.
- vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Financial Control

The existing internal financial control is adequate and commensurate with the nature, size, complexity and the business processes followed by the Company.

The Company has a well-placed, proper and adequate internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly.

Fraud Report

The Auditors of the Company have not reported any fraud as specified under section 143(12) of the Companies Act, 2013.

11. Details of Subsidiary, Joint Venture or Associate Companies

During the year under review, no Company have become or ceased to be the subsidiaries, joint ventures or associate companies of the Company.

12. Public Deposits

Your Company has not invited any deposits from public/ shareholders under Section 73 and 74 of the Companies Act, 2013.

13. Particulars of Loans, Guarantees and Investments

The Company has not taken any loans or provided any guarantees under section 186(1) of the Companies Act, 2013. Details of investments covered u/s 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

14. Particulars of Contracts or Arrangements with Related Parties

During the year there were no material related party transaction with promoters, the directors or the management, their relatives etc. that may have a potential conflict with the interests of the Company.

The details of related parties and transaction as per Accounting Standard issued by ICAI have been provided in **Note No. 36** of the Financial Statements for the year ended March 31, 2023.

All related party transactions were placed before the Audit Committee and also the Board for approval. The Company has framed a policy on RPTs for the purpose of identification, approval and monitoring of such transactions. The policy on Related Party Transactions is hosted on the Company's website at <https://www.dharmajcrop.com/investors-disclosures-under-regulation-46-and-62-of-sebi-lodr-regulations-2015/> key policies.

15. Auditors

Statutory Auditors

M/s. K A R M A & CO LLP (Firm Registration No. 127544W) were appointed for their second term as the Statutory Auditors of the Company in the 7th Annual General meeting for term of 5 years till the conclusion of 12th Annual General Meeting of the Company, at a remuneration to be decided by the Board of Directors in consultation with the Auditors. However, they have tendered their resignation to act as the Statutory auditors of the Company with effect from June 26, 2023.

The Auditors' Report does not contain any qualification, reservation or adverse remark. Further, there were no frauds reported by the Statutory Auditors to the Audit Committee or the Board under Section 143(12) of the Act.

To fill up this casual vacancy, the Board of Directors in its meeting held on June 27, 2023 have approved the appointment of M/s MSKA & Associates, Chartered Accountants (Firm Registration No.: 105047W) as the Statutory Auditors of the Company till the conclusion of ensuing Annual General Meeting. Your Company has received an eligibility letter from the Auditors for their appointment in accordance with Sections 139 and 141 of the Act. Necessary resolutions have been put in the ensuing Annual General Meeting for getting approval of shareholders for appointment done in casual vacancy and also for further appointment for the term of 5 years from the conclusion of Annual General Meeting.

Qualification, Reservation or Adverse Remark

The report given by the auditors on the financial statements of the Company is part of the Annual Report. There is no qualification, reservation or adverse remark made by the statutory auditors in their report.

Maintenance of Cost Records and Cost Auditors

Your Company is required to maintain cost records as specified under Section 148(1) of the Companies Act, 2013, and accordingly, such accounts and records are made and maintained in the prescribed manner.

As per provision of the Companies Act your directors have, appointed **M/s. Dalwadi & Associates, Cost Accountants**, Ahmedabad (having Firm's Registration No. 000338) to conduct the audit of the Cost Accounts of the Company.

A Resolution seeking ratification of remuneration payable to M/s. Dalwadi & Associates, Cost Accountants, for the Financial Year 2023-24 is included in the Notice convening the Annual General Meeting.

Secretarial Auditor

The Board had appointed M/s. Parikh Dave & Associates, Practicing Companies Secretaries, as the Secretarial Auditor for the financial year 2023-24.

The secretarial audit report received from Parikh Dave & Associates, Practicing Companies is attached herewith as **Annexure B**. The same does not contain any qualification, reservation or adverse remarks for financial year ended on March 31, 2023.

Internal Auditor

The Company had appointed Mr. Darshan Hirnandani on March 6, 2023 in place of Mr. Deepak Prusty who resigned on January 5, 2023 as the Internal Auditor of the Company for the purpose of maintaining proper and adequate internal financial control during the year.

16. Compliance with Secretarial Standards

The Institute of Company Secretaries of India (ICSI) has mandated that the Secretarial Standards on Meetings of the Board of Directors ("SS-1") and Secretarial Standards on General Meetings ("SS-2"), and as approved by the Central Government are mandatory in nature. The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

The Board hereby confirm that the Company has duly complied as applicable to the Secretarial Standards issued by the ICSI on Board Meetings, General Meetings and also, the Act as well the Listing Regulations on the Meeting of the Board of Directors and General Meetings.

17. Corporate Social Responsibility (CSR)

The provisions of the Corporate Social Responsibility as contained under Section 135 of the Companies Act, 2013 are applicable on the Company for this financial year.

Dharmaj Foundation, a trust, has been incorporated primarily with an objective of undertaking/channelizing the CSR activities of the Company. The Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended March 31, 2023, in accordance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed to this report as **Annexure C**.

18. Committees

(a) Audit Committee

The Company has constituted Audit Committee in terms of the requirements of the Act and rules framed thereunder and applicable listing regulations. For details please refer Corporate Governance Report attached as a separate Annexure G.

(b) Nomination And Remuneration Committee (NRC)

The Company is required to constitute a Nomination and Remuneration Committee as contained under Section 177 of the Companies Act, 2013 during the year under review.

The Company's Nomination & Remuneration Policy statement, in accordance with Section 177 of the Companies Act, 2013 and Rules, thereto are annexed to this report as **Annexure D**.

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

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014, is set out in the annexure forming part of the Annual Report as **Annexure E**.

20. Risk Management Policy

As per the requirement of Section 134(3)(n), the Company has adopted a Risk Management Policy wherein all material risks faced by the Company are identified and assessed.

21. Management Discussion and Analysis Report

The management discussion and analysis report as required under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been attached and forms part of this directors' report.

22. Corporate Governance

Your Company has complied with the requirements of corporate governance as prescribed under Schedule V of the SEBI (LODR) Regulations, 2015. A separate report on corporate governance forms the part of the annual report as **Annexure G**. A certificate from the Practicing Company Secretary M/s. Parikh Dave & Associates regarding compliance of conditions of corporate governance also forms the part of this report.

23. Details of Significant and Material Orders Passed by The Regulators, Courts and Tribunals

During the year under review, no such order which may impact the going concern status and Company's operation in future, was passed by the regulator, courts or tribunal.

24. Web Link of Annual Return

In line with the requirement of the Companies (Amendment) Act, 2017, effective from July 31, 2018, the extract of annual return is no longer required to be part of the Board Report. However, in Compliance to the provisions of Section 92 and Section 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the Company for the financial year ended March 31, 2023 and other policies of the Company is placed on the Company's website www.dharmajcrop.com/investors-disclosures-under-regulation-46-and-62-of-sebi-lodr-regulations-2015/ Annual Return of the Company

25. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to create a safe and healthy working environment that enables the employees to work without fear of sexual harassment at workplace.

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, your Company has constituted Internal Committees (IC) and has also formulated and adopted a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace.

The following is the summary of Sexual Harassment complaints received and disposed of during the year under review.

No. of Complaints received: Nil

No. of Complaints Disposed of: Nil

26. Particulars of Employees

The Company does not have any employee drawing Remuneration as prescribed in terms of sub-section 12 of section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules.

27. Vigil Mechanism

The Company has implemented Vigil Mechanism. For details please refer Corporate Governance Report attached as a separate **Annexure G**.

28. Human Resource & Industrial Relations

Your Directors believe that the key to the success of any Company are its employees. Industrial Relations were harmonious throughout the year. The Board wishes to place on record their sincere appreciation to the co-operation extended by all employees in maintaining cordial relations and their commitment towards the growth of the Company.

29. Acknowledgment

Your Directors takes this opportunity to thanks to all Government Authorities, Bankers, Shareholders, Registrar & Transfer Agents, Investors and other stakeholders for their assistance and co-operation to the Company. Your Director express their deep sense of appreciation and gratitude towards all employees and staff of the Company and wish the management all the best for further growth and prosperity.

For and on behalf of the Board
DHARMAJ CROP GUARD LIMITED

Place: Ahmedabad
Dated: July 11, 2023

Sd/-
Rameshbhai R Talavia
Chairman & Managing Director
DIN: 01619743

Sd/-
Jamankumar H Talavia
Whole-Time Director
DIN: 01525356

Annexure A

Details of the Directors

Particulars	Rameshbhai R Talavia (DIN: 01619743)	Jamankumar H Talavia (DIN: 01525356)	Jagdishbhai R Savaliya (DIN: 06481920)	Deepakbhai B Kanparia (DIN: 06860678)	Bhaveshkumar J Ponkiya (DIN: 09378123)	Amisha F Shah (DIN: 09411332)
Designation	Promoter-Executive/ Chairman & Managing Director	Promoter-Executive/ Whole-Time Director	Promoter-Executive- Whole-Time Director	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director
No. of Shares held	9,014,587	8,262,355	507,600	Nil	Nil	Nil
Tenure	March 6, 2020 to March 5, 2025	August 1, 2022 to July 31, 2027	August 1, 2022 to July 31, 2027	October 1, 2019 to September 30, 2024	November 18, 2021 to November 17, 2026	November 27, 2021 to November 26, 2026

No. of Board Meeting Held & Attended

NAME OF DIRECTORS	Dates of Board Meetings and Attendance									
	May 14, 2022	August 3, 2022	September 17, 2022	September 21, 2022	November 10, 2022	November 21, 2022	December 2, 2022	January 5, 2023	February 11, 2023	March 6, 2023
Rameshbhai R Talavia (DIN: 01619743)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Jamankumar H Talavia (DIN: 01525356)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Jagdishbhai R Savaliya (DIN: 06481920)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Deepakbhai B Kanparia (DIN: 06860678)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Bhaveshkumar J Ponkiya (DIN: 09378123)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Amisha F Shah (DIN: 09411332)	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes

Annexure B

FORM NO. MR-3

Secretarial Audit Report

For the financial year ended on March 31, 2023

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

To,
The Members,
Dharmaj Crop Guard Limited
CIN: L24100GJ2015PLC081941
Plot No. 408 to 411, Kerala GIDC Estate,
Off NH-8, At: Kerala, Ta: Bavla,
Ahmedabad-382220

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives whether electronically or otherwise 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, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- 1) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) 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 - Applicable to the extent of Foreign Direct Investments only as there is no External Overseas Direct Investment and External Commercial Borrowings during the financial year under review;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- Not Applicable during the year under review;
- (e) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (f) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not Applicable during the year under review;
- (g) Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 - Not Applicable during the year under review;
- (h) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not Applicable during the year under review;

We have also examined compliance with the applicable Standards/Clauses/Regulations of the following:

- i. Secretarial Standards issued by The Institute of the Company Secretaries of India (ICSI) and made effective from time to time.
- ii. The Uniform Listing Agreement entered into by the Company with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

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

We further report that:

Having regard to the Compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof on test - check basis, the Company has complied with the material aspects of the following laws specifically applicable to the Company being engaged in the manufacturing activities of pesticides and other agricultural chemical industry:

1. The Insecticides Act, 1968
2. The Fertiliser (Control) Order, 1985
3. The Legal Metrology Act, 2009

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 including Woman Director. The changes in the composition of Board that took place during the year under review were carried out in compliance of the provisions of Act.

Except in case of meetings convened at shorter notice, adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of Board of Directors/Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members on any of the matters during the year that were required to be captured and recorded as part of the minutes.

We further report that:

Based on the review of compliance mechanism established by the Company, the information provided by the Company, its officers and authorized representatives during the conduct of the audit and compliance certificate(s) placed before the Board Meetings, 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 general laws, rules, regulations and guidelines.

We further report that:

The Compliance by the Company of the applicable financial laws like Direct and Indirect Tax laws, has not been reviewed in this Audit since the same have been subject to the review by the Statutory Auditors and other designated professionals.

We further report that:

During the audit period under review, the Company has made an Initial Public Offering (IPO) of 1,05,96,924 Equity shares having face value of ₹ 10 each (comprising of Offer for sale of 14,83,000 Equity shares and fresh issue of 91,13,924 Equity Shares) at an Offer price of ₹ 237 per share.

The Equity shares of the Company were admitted for dealing on main Board of both BSE Limited and National Stock Exchange of India Limited w.e.f. December 8, 2022.

Further, there were no instances of:

- a) Redemption/buy-back of securities.
- b) Obtaining the approval from shareholders under Section 180 of the Companies Act, 2013.
- c) Merger/amalgamation/reconstruction, etc.
- d) Foreign technical collaborations.

For **Parikh Dave & Associates**
Company Secretaries

Uday Dave

Practicing Company Secretary
Partner

ICSI Unique Code No.: P2006GJ009900
Peer Review Certificate No.: 796/2020
FCS No. 6545 CP. No. 7158
UDIN: F006545E000574684

Place: Ahmedabad
Dated: July 10, 2023

Note:

This report is to be read with our letter of even date which is annexed as **Annexure – A** and forms an integral part of this report.

Annexure - A

To,
The Members,
DHARMAJ CROP GUARD LIMITED
CIN: L24100GJ2015PLC081941

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

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

For **Parikh Dave & Associates**
Company Secretaries

Uday Dave
Practicing Company Secretary
Partner

ICSI Unique Code No.: P2006GJ009900
Peer Review Certificate No.: 796/2020
FCS No. 6545 CP. No. 7158
UDIN: F006545E000574684

Place: Ahmedabad
Dated: July 10, 2023

Annexure C

Annual Report on CSR Activities For financial year ended March 31, 2023

1. Brief outline on CSR Policy of the Company.

In adherence to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time, the Board of Directors upon the recommendation of CSR Committee has approved and adopted a CSR Policy of the Company. In accordance with the primary CSR philosophy of the Company, the CSR policy of the Company specifies the activities that Company would undertake, monitoring of CSR activities etc.

2. Composition of CSR Committee:

Sl. 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.	Mr. Bhaveshkumar J Ponkiya	Chairman, Non-Executive Independent Director	2	2
2.	Mr. Rameshbhai Ravajibhai Talavia	Member, Promoter Executive/Managing Director	2	2
3.	Mr. Deepakbhai B Kanparia	Member, Non-Executive Independent Director	2	2

The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: <https://www.dharmajcrop.com/investors-disclosures-under-regulation-46-and-62-of-sebi-lodr-regulations-2015/> Corporate Governance

3. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

4. Average net profit of the Company as per section 135(5): ₹ 27,03,70,021/-

5. Two percent of average net profit of the Company as per section: ₹ 54,07,400/-

(a) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(b) Amount required to be set off for the financial year: Nil

(c) Total CSR obligation for the financial year (7a+7b+7c): ₹ 54,07,400/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 54,38,000/-

(b) Amount spent in Administrative Overheads

(c) Amount spent on Impact Assessment, if applicable

(d) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 54,38,000/-

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount Unspent (in ₹)	
	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)			
	Amount	Date of transfer	Amount	Date of transfer
54,38,000			Not Applicable	

(f) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	54,07,400
(ii)	Total amount spent for the Financial Year	54,38,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	30,600
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	30,600

Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation Direct (Yes/No)	Mode of Implementation -Through Implementing Agency	
				State	District						Name	CSR Regd. number.
Not Applicable												

Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)		
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount allocated for the project (in ₹)	Mode of Implementation Direct (Yes/No)	Mode of Implementation -Through Implementing Agency		
				State	District			Name	CSR Regd. number.	
1.	Promoting Education	Schedule VII(ii) promoting education, including special education and employment enhancing vocation skills	Yes	Various States of India namely Gujarat, Madhya Pradesh, Rajasthan, Uttar Pradesh, Assam, West Bengal, Maharashtra, Chhattisgarh, Haryana, Uttarakhand		27,18,000	No	Dharmaj Foundation	CSR00012389	
2.	Promoting Education	Schedule VII(ii) promoting education, including special education and employment enhancing vocation skills	Yes	Various area in Gujarat		20,00,000	No	Sardardham -Vishwa Patidar Samaj-	CSR00003148	
3.	Promoting Education	Schedule VII(ii) promoting education, including special education and employment enhancing vocation skills	Yes	Various area in Gujarat		7,20,000	No	Raginiben Bipinchandra Sewa Karya Trust-	CSR00012645	
Total						₹ 54,38,000				

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

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

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

(a) Yes No

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address

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

Place: Ahmedabad
Dated: July 11, 2023

Sd/-
 Mr. Vishal Domadia
 (Chief Executive Officer)

Sd/-
 Mr. Bhaveshkumar J Ponkiya
 (DIN:- 09378123)
 (Chairman CSR Committee)

Annexure D

Nomination and Remuneration Policy

1. PREFACE

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto.

2. PURPOSE

The purpose of the policy is to:

1. Comply with Section 178 of the Companies Act, 2013 and applicable provisions;
2. Ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
3. Ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
4. Ensure that the remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

3. DEFINITIONS:

1. **Remuneration:** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;
2. **Key Managerial Personnel:** shall mean the officers of the Company as defined in Section 2(51) of the Companies Act, 2013 and rules prescribed there under;
3. **Senior Managerial Personnel:** mean the personnel of the Company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

(The words in the Policy shall have the same meaning as defined under the Companies Act, 2013 and Rules thereto or any modifications/substitution thereto).

4. ROLE OF THE COMMITTEE:

The role of the NRC will be the following:

- identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- carrying out evaluation of every director's performance;
- formulate the criteria for determining qualifications, positive attributes and independence of a director;
- recommend to the Board a policy, relating to the remuneration for the directors, key managerial and senior management personnel;

- ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

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

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his/her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the position.
3. The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

6. TERM/TENURE

Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment

after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

7. EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

8. REMOVAL

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

9. RETIREMENT

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

10. POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

Remuneration to Managing Director/Whole-time Directors/Executive Directors:

- The Remuneration/Commission etc. to be paid to Managing Director/Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/Whole-time Directors.
- The Remuneration to the Managing Director/Whole-time Directors/Executive Directors shall be according to the Policy for Managing Director & Executive Directors & Code of Conduct recommended by the Committee.

Remuneration To Non-Executive/Independent Directors:

- The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as may be approved by the Board of Directors and permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- All the remuneration of the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/limits

as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

- An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- Any remuneration paid to Non- Executive/Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - The Services are rendered by such Director in his capacity as the professional; and
 - In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

Remuneration To Key Managerial Personnel And Senior Management:

- The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- The Fixed pay shall include monthly remuneration.
- The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

11. AUTHORITY FOR APPROVAL OF POLICY

The Board shall have the authority for approval of this policy in pursuance to the Act.

12. AUTHORITY TO MAKE ALTERATIONS TO THE POLICY

The Board is authorized to make such alterations to this Policy as considered appropriate, subject, however, to the condition that such alterations shall be in consonance with the provisions of the Acts and Regulations.

13. EFFECTIVE DATE

The policy will be effective with effect from the date of approval by the Board.

14. DISCLAIMER

Nothing contained in this Policy shall operate in derogation of any law for the time being in force or of any other provisions in force.

In any circumstance where the terms of this Policy differ from any applicable law governing the Company, such applicable law will take precedence over this Policy and procedures until such time as this Policy is modified in conformity with the Applicable Law.

Annexure E

INFORMATION AS PER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH THE RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

A & B. Conservation of Energy & Technology Absorption*:

1. Solar Power System at Factory (Registered office)

Short Description & FY of Installation	Capital Investment	Benefits Derived
• Solar Power System plant	₹ 78,92,670/- (Approx.)	30% of total energy consumption will be through solar power and results in reducing electricity expenditure

*Nothing to be reported for the Technology Absorption.

C. Foreign Exchange Earnings And Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual out flows:

- (i) Foreign Exchange Earnings: ₹ 299.97 Millions
- (ii) Foreign Exchange Outgo: Nil

Annexure F

Disclosure in the Board's Report under Rule 5 of Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014

A. Name of Director/Key Managerial Personnel	Ratio to median remuneration	% increase in remuneration
1. Mr. Rameshbhai Ravajibhai Talavia	16.10:1	43
2. Mr. Jamankumar Hansrajibhai Talavia	14.26:1	36
3. Mr. Jagdishbhai Ravajibhai Savaliya	8.57:1	27
4. Mr. Bhaveshkumar Jayantibhai Ponkiya	-	-
5. Mr. Deepak Bachubhai Kanparia	0.08:1	(33)
6. Mrs. Amisha Shah	-	-
CEO, CFO/CS Name	Ratio to median remuneration	% increase in remuneration
1. Mr. Vishal Domadia	11.37:1	40
2. Mr. Vinay Joshi	-	-
3. Mrs. Malvika Bhadreshbhai Kapasi	1.68:1	-
B. Percentage increase in the median remuneration of employees in the financial year 2022-23 as compared to 2021-22		17%
C. No. of permanent employees on the roll of the Company	As on 31.3.2023	As on 31.3.2022
	326	231
D. Average percentile increase in salaries of employees other than managerial personnel remuneration and the Company performance and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	During the year 2022-23	During the year 2021-22
	13.4	13.19
The increase in remuneration to Managerial Personnel is in line with approval taken from the members of the Company and company's Human resource policy also commensurate with current Industrial Practice.		
E. The key parameters for any variable component of remuneration availed by the directors:	NIL	
F. Affirmation: It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.		

For and on behalf of the Board
Dharmaj Crop Guard Limited

Rameshbhai R Talavia
Chairman & Managing Director
DIN: 01619743

Place: Ahmedabad
Dated: July 11, 2023

Annexure G

Corporate Governance Report

Overview Of Corporate Governance Of Dharmaj Crop Guard Limited At A Glance

At **Dharmaj Crop Guard Limited**, corporate governance has grown since incorporation with its journey of efficient industrial entrepreneurship. Company is in continued compliance with guideline of corporate governance since incorporation as stipulated in Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

1. Company's Philosophy on Corporate Governance:

Dharmaj Crop Guard Limited continues to follow good corporate governance practices to achieve highest standard of transparency, integrity, accountability and good corporate practices which help all the stakeholders like the shareholders, employees, creditors, lenders and society at large. The Company has been prompt in discharging its statutory and social obligations. The board of directors supports the broad principles of corporate governance and is committed to align and direct the actions of the Company to achieve the objectives of transparency, accountability and integrity.

The Corporate Governance framework and philosophy is a reflection of the Company's corporate culture, policies, values and relationship with stakeholders which is driven relentlessly across the organization.

The governance philosophy embraces the tenets of transparency, independence, accountability, fair and timely disclosures and ethical corporate citizenship as means for implementing its corporate governance framework in letter and spirit which is further integrated into the Company's growth strategy and shall continue to remain a guiding force for the years to come.

The Company believes that ensuring the highest standards of Corporate Governance is a key driver of sustainable corporate growth and long-term value creation for its stakeholders. The Company is continuously evolving its performance goals and optimizing sustainable yield for its stakeholders to integrate ethical analysis into defining its corporate culture with an aim to social responsibility and return.

The Company has adopted practices to sustain the culture of good governance that comprise of fair representation of professionally qualified Directors on the Board, disclosure of information on performance, constitution of Board Committees as a part of the internal control system, adequate and timely compliance, payment of statutory dues, ownership, governance and accountability at all levels, and overall effective management control. The Company's Corporate Governance structure ensures timely implementations of plans and adequate disclosures

The Company has also adopted the governance guidelines on Board effectiveness to fulfill its responsibilities towards its stakeholders. Governance structure of the Company comprises of the Board of Directors at the top level and the internal governance structure at the operational level. The Chairman and Managing Director, Executive Directors and Chief Executive Officer are in overall control and responsible for the working of the Company, gives strategic directions, lays down the policy guidelines and ensures the implementation of the decisions of the Board and its committees. The primary role of the Board is to protect the interest and enhance the value for all the stakeholders. It conducts the overall strategic supervision and control by setting policies, reporting mechanism and

accountability and decision making process to be followed. Executives of the Company, one level below the Board, on quarterly basis reviews certain parameters such as health of the organization, regulatory management, risks management strategy, Health, Safety & Environment, succession planning and leadership development. Apart from reviews, Executives and leaders discuss the most important business issues monthly by review meetings and takes decisions within the framework of the Board.

The Company's Corporate Governance philosophy is also reinforced through adoption of the Code of Conduct for Prevention of Insider Trading, Code of Corporate Disclosure Practices, Anti-Bribery & Anti-Corruption and Anti-Money Laundering Policies, Business and Human Rights Policy. The Company has also adopted the governance guidelines on Board executiveness to fulfill its responsibilities towards its stakeholders.

The Company has adhered to the requirements stipulated under Regulations 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) and (t) of Regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') as applicable with regard to Corporate Governance.

Above all, we believe that corporate governance must balance individual interest with corporate goals and operate within accepted norms of propriety, equity, fair play, sense of responsibility & justice. Achieving this balance depends upon how accountable and transparent the Company is. Accountability improves decision making. Transparency helps to explain the rationale behind decisions and thereby builds stakeholders' confidence.

2. Board of directors:

Composition of the Board

The Board of Directors comprises Six (6) Directors, three (3) of whom are Independent Directors out of which 1 (One) is an Independent Woman Director, three (3) are Executive Non-Independent more than 50 % Non- Executive of the total strength of the Board. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 and 152 of the Act.

During the year 2022-23 Ten (10) Board meetings were held on: May 14, 2022, August 3, 2022, September 17, 2022, November 10, 2022, November 21, 2022, December 2, 2022, January 5, 2023, February 11, 2023, March 6, 2023.

As the Chairman of the Board is an Executive Director, the provisions of Regulation 17(1)(b) of the Listing Regulations stipulate that if the Chairperson of a Company is an Executive Director, at least half of the Board should consist of Independent Directors, have been complied with.

In the opinion of the Board, the Independent Directors of the Company fulfill the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 ("the Act") read with the Rules made thereunder and Schedule IV thereto and also Regulation 16(1)(b) of the Listing Regulations and are independent of the management. The Board comprises Directors of repute, who are experienced business persons, professionals, and executives.

The Executive Directors command respect in the industry for their valuable experience and contribution. They look after the areas of responsibilities independently and seek directions/guidance from the Chairman on all important matters. In line with the Nomination, Remuneration Policy of the Company, the Directors are identified based on their qualifications, positive attributes, area of expertise, etc.

3. Composition and attendance of each director at the meeting of the Board of Directors and at the last AGM:

The composition of the board of directors and their attendance at the meetings of board of directors during the year and at last annual general meeting are given below:

Name of the director	DIN	Category of directorship	No. of board meetings attended	No. of directorships held in other Indian public limited companies including the names of the listed entities where the person is director	Attendance at the last AGM	No. of other Committee Member or Chairman	Qualification shares held by Director	Intere relationship
Rameshbhai Ravajibhai Talavia	01619743	Chairman and Managing Director (Executive)	10	1 Agro Chemicals Manufacturers Association of India	Yes	0	9,014,587	Not related
Jamankumar Hansarajbhai Talavia	01525356	Whole Time Director (Executive)	10	0	Yes	0	8,262,355	Not related
Jagdishbhai Ravjibhai Savaliya	06481920	Whole Time Director (Executive)	10	0	Yes	0	507,600	Not related
Deepak Bachubhai Kanparia	06860678	Independent Director (Non-Executive)	10	0	Yes	0	0	Not related
Bhaveshkumar Jayantibhai Ponkiya	09378123	Independent Director (Non-Executive)	10	0	Yes	0	0	Not related
Amisha Fenil Shah*	09411332	Independent Women Director (Non-Executive)	9	1 Mahickra Chemicals Limited	Yes	2	0	Not related

None of the directors are related to each other except Rameshbhai Ravajibhai Talavia & Jamankumar H Talavia. They are Cousin Brothers.

* Amisha Fenil Shah is Board Member in the Mahickra Chemicals Limited and is member in Audit Committee, Nomination and Remuneration Committee as we well as in Stakeholder Committee.

Meeting of the Independent Directors of the Company was held on March 27, 2023 which was attended by all the independent directors. The independent directors of the Company have

been with the Company for a sufficiently long period of time to be appraised of the Company's working and its culture. The Company however, also organized programs for familiarization of the directors in earlier years.

All the information required to be furnished to the board of directors as per regulation 17(7) of part (A) of Schedule II of SEBI (LODR) Regulations was made available to them along with the detailed notes. This information includes minutes of meeting of audit committee, nomination and remuneration committee, stakeholders relationship committee, corporate social responsibility committee, annual operating plans and

budgets and updates thereof, quarterly results, information about recruitment of senior officers just below the board level, materially important litigations, show cause/demand notices, prosecution and penalty, fatal or serious accidents or dangerous occurrences, material effluent or pollution problems if any, material default in financial obligations if any, sale of material nature of investments, sale of assets which are not in the normal course of business, details of joint venture, acquisition of companies or collaboration agreement, details of foreign exchange exposure and the steps taken by the management to limit the risks of adverse exchange rate movement, noncompliance of any regulatory, statutory or listing requirements as well as shareholder services such as non-payment of dividends etc.

#In Compliance with Regulation 26 of SEBI Listing Regulations, Membership / Chairmanship of only Audit Committee and Stakeholders Relationship Committee were considered.

4. Brief Profile of the Board Member:

Mr. Rameshbhai Ravajibhai Talavia

Rameshbhai Ravajibhai Talavia, the Chairman and Managing Director of our Company. He holds a bachelor's degree in Science (Agriculture) from the Gujarat Agricultural University. Previously, he was working with E.I.D.

Parry (India) Limited as Senior Marketing Officer and Crop Life Science Limited as Director. He has over 29 years of experience in various aspects of agro chemical industry.

Mr. Jamankumar Hansarajbhai Talavia

Jamankumar Hansarajbhai Talavia, is a Whole-time Director of our Company. He holds a bachelor's degree in Science (Agriculture) from the Gujarat Agricultural University. Previously, he was working with E.I.D. Parry (India) Limited, Coromandel Fertilizers Limited and Crop Life Science Limited. He has been associated with our Company since its incorporation. He heads the manufacturing and purchase processes at our manufacturing facility. He was awarded the Best Marketing Representative by Parrys, Certificate of Merit at Coromandel – Godavari Meet 2007 and Diamond Market Representative Award

5. Key Skills, Expertise and Competencies of the Board:

The Company aims to cultivate a broad spectrum of demographic attributes and characteristics in the boardroom that elevates the Board's effectiveness to provide foresight and add value to the decision-making process. The Board of the Company comprises leaders and experts in their respective fields for achieving the objectives of the Company while operating effectively, responsibly and sustainably.

The Members bring in the required skills, competence and expertise to the Board. The Directors are appointed based on well-defined selection criteria. The NRC considers, inter alia, key skills, qualifications, expertise and competencies, whilst recommending to the Board the candidature for appointment of Director. The Board of Directors, based on the recommendations of the NRC, identified the following core key skills/expertise/competencies of Directors as required in the context of business of the Company for its effective functioning which are currently possessed by the Board Members of the Company and mapped against each of the Directors:

Sr. No.	Skills & Expertise	Mr. Ramesh R Talavia	Mr. Jamankumar H Talavia	Mr. Jagdish R Savaliya	Mr. Bhaveshkumar J Ponkiya	Mr. Deepak Kanparia	Mrs. Amisha F Shah
1.	Leadership	Yes	Yes	Yes	Yes	Yes	Yes
2.	Industry experience	Yes	Yes	Yes	-	Yes	-
3.	Science and Technology	Yes	Yes	Yes	-	Yes	-
4.	IT and Digitalization	Yes	Yes	Yes	Yes	Yes	Yes

by EID Parry-Coromandel Fertilizers. He has over 23 years of experience in various aspects of agro chemical industry.

Mr. Jagdishbhai Ravajibhai Savaliya

Jagdishbhai Ravajibhai Savaliya, the Whole-time Director of our Company. He holds a bachelor's degree in Science from the Saurashtra University. Previously, he was working with Sunrise Pharmaceuticals, Crop Life Science Limited, Sabero Organics Gujarat Limited and Cratus Life Care. He heads the research and development and production process at our manufacturing facility. He has over 22 years of experience in various aspects of agro chemical industry.

Mr. Deepak Bachubhai Kanparia

Deepak Bachubhai Kanparia, is an Independent Director of our Company. He holds a bachelor's degree in Technology (Agricultural Engineering) from Gujarat Agricultural University and diploma in Computer Applications from Datatech Computer. He has also completed Management Development Programme in HR Skills for Non-HR Professional from Nirma University. Previously, he was working with Netafim Irrigation India Private Limited as AGM Sales and Marketing. He is also associated as Director with Dharmajivan Greentech Private Limited. He has over 24 years of experience in various aspects of agro chemical industry.

Mr. Bhaveshkumar Jayantibhai Ponkiya

Bhaveshkumar Jayantibhai Ponkiya, is an Independent Director of our Company. He holds a bachelor's degree in Commerce from the Gujarat University, bachelor's degree in law from Gujarat University and a member of Institute of Chartered Accountants of India. He is a practicing Chartered Accountant since 2013. He has over 9 years of experience in audit and taxation.

Ms. Amisha Fenil Shah

Amisha Fenil Shah, is an Independent Director of our Company. She holds a bachelor's degree in Commerce from the Gujarat University, bachelors' degree in law from Gujarat University and a member of Institute of Company Secretaries of India. She was working with Asya Infosoft Limited and is practising Company Secretary since 2017. She has over 7 years of experience in secretarial matters.

Sr. No.	Skills & Expertise	Mr. Ramesh R Talavia	Mr. Jamankumar H Talavia	Mr. Jagdish R Savaliya	Mr. Bhaveshkumar J Ponkiya	Mr. Deepak Kanparia	Mrs. Amisha F Shah
5.	Strategy	Yes	Yes	Yes	Yes	Yes	Yes
6.	Finance and Governance	Yes	Yes	Yes	Yes	Yes	Yes
7.	HR and Communication	Yes	Yes	Yes	-	Yes	-
8.	Safety and Sustainability	Yes	Yes	Yes	Yes	Yes	Yes
9.	Multiple geography experience	Yes	Yes	Yes	Yes	-	Yes

Board and Director Evaluation and Criteria for Evaluation

Criteria for evaluation of individual Directors include aspects such as attendance and contribution at the Board/Committee Meetings. Criteria for evaluation of the Committees of the Board are broadly based on the Guidance Note on Board Evaluation issued by SEBI which inter alia, included a questionnaire on the structure of Board, Meetings of the Board and the functions of Board and Management after considering aspects of the Board's composition, functioning, obligations and governance.

The Company follows a practice of implementing each of the observations from the annual evaluation by calendaring its implementation through the Action Taken Report that is reviewed by the Board of Directors from time to time.

The action areas identified in the process are being implemented to ensure a better interface at the Board/Management level.

In terms of the requirement of the Act and the SEBI Listing Regulations, during the year under review, the Board has carried out an annual performance evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees. The exercise was led by the Chairman of the NRC along with the Chairman of the Board.

The overall functioning of the evaluation process reflected a high degree of engagement amongst the Board members and their freedom to express views on matters transacted at the Meetings.

The procedure followed for the performance evaluation of the Board, its Committees and Individual Directors is detailed in the Board's Report

6. Board Procedure:

For seamless scheduling of Meetings, the annual calendar of the Board and Committee Meetings is agreed upon at the beginning of the year. The agenda is circulated well in advance to the Board/Committee Members along with comprehensive background information forming part of the agenda to enable the Board/Committees to arrive at appropriate decisions. The Company Secretary tracks and monitors the Board and Committee proceedings to ensure that the Terms of Reference/Charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions are tracked thereby enriching the effectiveness of the Meetings. The Terms of Reference/Charters are amended and updated from time to time in order to keep the functions and role of the Board and its Committees at par with the changing statutes.

The agenda and related information is circulated through a secure application, which can be accessed electronically. This has reduced paper consumption, thus enhancing the sustainability efforts of the Company and maintaining confidentiality of information. Video conferencing facility is made available to facilitate Directors who are unable to attend the Meeting in person.

At the Board Meetings, the Managing Director & CEO apprises the Board on the overall performance of the Company to enable the Board to discharge its responsibilities effectively and take informed decisions. The Board also, inter alia, reviews the strategy, annual business plan and capital expenditure budgets, adoption of quarterly/half-yearly/annual financial results, compliance reports on all laws applicable to the Company, EHS (Environment, Health and Safety) performance, people process matters and minutes of the Meetings of Committees of the Board. The Chairperson of all the Committees briefs the Board at its Meetings about the significant discussions at each of the Committee Meetings. Additionally, the Board is kept informed of all major events, including information listed under Regulation 17(7) read with Part A of Schedule II to the SEBI Listing Regulations. Basis the business requirements, members of the Senior Leadership are invited to attend the Board and Committee Meetings, which brings in requisite accountability and provides developmental inputs.

7. Board Committees:

Audit Committee

The Company has formed the audit committee comprising of three directors. Mr. Bhaveshkumar Jayantibhai Ponkiya is the chairman of the committee, Mr. Rameshbhai Ravajibhai Talavia and Mr. Deepak Bachubhai Kanparia are members of the committee. During the year seven audit committee meetings were held on 14-05-2022, 03-08-2022, 17-09-2022, 21-09-2022, 10-11-2022, 05-01-2023 and on 11-02-2023. The audit committee at the board level acts as a link between the independent auditors, internal auditors, the management and the board of directors and oversees the financial reporting process. The audit committee interacts with the internal auditors, independent auditors, secretarial auditors and cost auditors and reviews and recommends their appointment and remuneration. The audit committee is provided with all necessary assistance and information to enable it to carry out its functions effectively.

In general, the audit committee reviews the audit and internal control procedures, accounting policies and the Company's financial reporting process and ensures that the financial

statements are correct, sufficient and credible and exercises the powers as recommended from time to time by SEBI, stock exchanges and/or under the Companies Act, 2013. Further audit committee also reviews the following information mandatorily:

- 1) Management discussion and analysis of financial conditions and results of operations.
- 2) Statement of significant related party transactions submitted by the management.
- 3) Management letters/letters of internal control weaknesses if any, issued by the statutory auditors.
- 4) Internal audit report relating to internal control weaknesses if any, and implementation of action points arising therefrom.
- 5) The recommendation of appointment, remuneration and terms of appointment of auditors of the Company.
- 6) Review and monitor the auditors independence and performance and effectiveness of audit process.
- 7) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 8) Appointment, removal and terms of remuneration of the internal auditors.
- 9) Quarterly and annual financial statements
- 10) Risk assessment and minimization procedures.
- 11) Matters required to be included in the director's responsibility statement to be included in the board report in terms of section 134 of the Act.
- 12) Changes, if any, in accounting policies and practices and reason for the same.
- 13) Major accounting entries involving estimates based on the exercise of judgment by the management.
- 14) Significant adjustments made in the financial statements arising out of audit findings.
- 15) Compliance with listing and other legal requirements relating to financial statements.
- 16) Qualifications, if any, in the draft audit report.
- 17) Scrutiny of inter-corporate loans and investments.
- 18) Evaluation of internal financial controls.
- 19) Reviewing the findings of any internal investigations, if any, 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.
- 20) Reviewing functioning of whistle blower mechanism.
- 21) Carrying out any other function as mentioned in the terms of reference of audit committee.

The composition of audit committee and particulars of attendance at the audit committee meetings during the year under review are given below:

Name of director	Chairman/Member	Category of directorship	No. of meetings attended
Bhaveshkumar Jayantibhai Ponkiya	Chairman	Independent Director (Non-Executive)	7
Deepak Bachubhai Kanparia	Member	Independent Director (Non-Executive)	7
Rameshbhai Ravajibhai Talavia	Member	Managing Director (Executive)	7

Chief Financial Officer and Chief Executive Officer is permanent invitees to the audit committee meetings. The Company Secretary acts as secretary to the audit committee. The chairman of the audit committee was also present at the 08th annual general meeting of the Company held on September 15, 2022.

Nomination and remuneration committee

The Company has formed the Nomination and Remuneration Committee comprising of three directors. Mr. Bhaveshkumar Jayantibhai Ponkiya is the chairman of the committee, Mr. Deepak Bachubhai Kanparia and Mrs. Amisha Fenil Shah are members of the committee. During the year two meetings of Nomination and Remuneration Committee were held on May 14, 2022 and on January 5, 2023.

The terms of reference of the committee, inter alia, include: (a) formulation of policy for determining qualification, positive attributes and independence of a director and remuneration for the directors, key managerial personnel and other employees and recommend the same to the board and (b) identification of persons who are qualified to become directors and who may be appointed in senior management cadre in accordance with the criteria as per the policy approved by the board. The policy of the Company is to remain competitive in the industry, to attract and retain the best talent and appropriately reward executives for their individual performance and contribution to the business of the Company.

During the year 2022-23, two meeting of nomination and remuneration committee were held on May 14, 2022 and on January 5, 2023. All the members attended all the meetings of Nomination and Remuneration Committee.

Details of remuneration paid to directors:

(₹ in Millions)

Name of Director	Remuneration pursuant to provisions of Companies Act, 2013	Sitting fees for attending meeting of board of directors
Rameshbhai Ravajibhai Talavia	4.49	NA
Jamankumar Hansarajbhai Talavia	3.97	NA
Jagdishbhai Ravajibhai Savaliya	2.39	NA
Deepak Bachubhai Kanparia	NA	0.02
Bhaveshkumar Jayantibhai Ponkiya	NA	0.02
Amisha Fenil Shah	NA	0.02

Selection and appointment of directors and their remuneration

As per provisions of the Companies Act, 2013 and as provided in Regulation 17 of SEBI (LODR) Regulations, 2015 as amended from time to time, the Company had appointed Mr. Deepak Kanparia (October 1, 2019 till September 30, 2024), Mr. Bhaveshkumar Ponkiya (November 18, 2021 till November 17, 2026), Mrs. Amisha Shah (November 27, 2021 till November 26, 2026) as independent directors for the term of five consecutive years. All the independent directors of the Company are highly qualified and are experts in their respective field. They actively take part in the discussions at the board meetings and provide valuable independent inputs which enable board of directors of the Company to take informed decisions on issues discussed at the meetings. None of the Independent Directors have resigned during the year.

In case of appointment of new independent directors, the board and the independent directors satisfy itself with regard to independent nature of the director vis-a-vis the Company so as to enable the board to discharge its functions and duties effectively. It will also be ensured that the candidate identified for appointment as a director is not disqualified for appointment under section 164 of the Companies Act, 2013. The board and independent directors shall consider the attributes/criteria like qualification, expertise and experience of the director in his respective field, personal, professional or business standing, and diversity of the board etc. and in case of reappointment of non-executive director, the board shall take into consideration the performance evaluation of the director and his engagement level.

The non-executive directors are entitled to receive sitting fees for each meeting of the board and committee attended by him of such sum as may be approved by the board within overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Presently the Company has three executive directors. Mr. Ramesh Ravajibhai Talavia is the Chairman and Managing director of the Company and looks after the day-to-day management of the Company and the Domestic and international sales of the Company. He has been with the Company since incorporation and has been instrumental in the progress of the Company. Mr. Jamankumar Hansarajbhai Talavia is the Whole Time Director of the Company and he is looking after the operations and also spearheading the upcoming backward integration project at the Saykha. Mr. Jagdish Ravajibhai Savaliya is also the Whole Time Director of the Company and is spearheading the production, plant operations and Research and Development.

The Company had witnessed substantial growth in the turnover and profitability due to efforts made by the Managing Director and Executive directors of Company.

At the time of appointment or re-appointment, the executive directors shall be paid remuneration as agreed between the Company (which includes nomination and remuneration committee and the board of directors) and the executive directors within the overall limits prescribed under the Companies Act, 2013 and Schedule V to the Act. The remuneration shall be subject to the approval of the members of the Company in general meeting and subject to approval of Central Government, if required.

The remuneration of the executive directors comprises only of fixed component. The fixed components comprise salary, allowances, amenities and other benefits.

Senior management:

The Particular of senior management of the Company including therein since the close of the previous financial year are as under:

Name	Designation
Mr. Vishal Domadia	CEO
Mr. Vinay Joshi	CFO
Mr. Malvika Bhadrashbhai Kapasi	CS
Mr. Bhupendra Varasada	Head of Operations – Saykha Unit
Mr. Hitesh Patel	Vice President – Marketing
Mr. Mahesh Raghavan Vellichiramalnellika	Deputy General Manager – Exports
Mr. Jitendra Modha	Deputy General Manager – Quality
Mr. Kalpesh C. Patel	Senior Manager Accounts
Mr. Mehulkumar H. Polara	Manager – Institutional Sales

During the year under the Change Mr. Vishal Domadia resigned as CFO w.e.f.05-01-2023 and appointed as CEO w.e.f 06-01-2023 and Mr. Vinay Joshi is appointed as CFO w.e.f. 06-01-2023 of the Company and further appointed Mr. Bhupendra Varasada w.e.f 16-11-2022 and Mr. Hitesh Patel w.e.f. 01-09-2022

Performance evaluation policy

The Company has adopted a comprehensive performance evaluation policy that includes consideration of sustainability,

leadership, strategy, and new ideas. As part of this policy, the board of directors has carried out an annual performance evaluation of its own performance, as well as that of the directors individually and various committees.

To evaluate the Company's sustainability performance, a structured questionnaire was prepared that took into consideration various aspects of the board's functioning, such as effectiveness in decision making, effectiveness in developing a strong corporate governance structure, and efforts to reduce the Company's environmental impact. The board also considered specific sustainability and emissions-related indicators, such as progress towards reducing the Company's greenhouse gas emissions, improving energy efficiency, conserving water, reducing waste, and increasing transparency through regular reporting and disclosures.

In addition to the board's evaluation, a separate exercise was carried out to evaluate the performance of individual directors, including the chairman and managing director, on parameters such as leadership initiatives, new ideas and planning, compliance with the Company's policies (including environmental policy) and ethics, and timely input on minutes. The performance evaluation of independent directors was carried out by the board, while the performance evaluation of executive directors and non-independent directors was carried out by the independent directors.

Overall, the directors expressed their satisfaction with the evaluation process, which took into consideration not only financial performance and leadership effectiveness but also the Company's sustainability and climate risk considerations.

Risk Management

The Risk Management Committee of the Company is constituted in line with the Regulation 21 of the Listing Regulations and other applicable provisions, if any.

The Company had voluntarily formed the Risk Management Committee in the year 2015. The terms of reference of the Committee which inter alia includes, to manage the integrated risk, to lay down procedures to inform the Board about risk assessment and minimisation procedures in the Company, to frame, implement and monitor the risk management plan for the Company and perform such other functions as the Board may deem necessary including cyber security etc. The Board of the Company has specified various roles of Risk Management Committee in the Risk Management Policy of the Company. The role of the Committee, inter-alia, includes the following:

- 1) To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof. The risk management policy shall include the following:
 - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular 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; and
 - 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 periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 4) To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
- 5) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- 6) To implement and monitor policies and/or processes for ensuring cyber security;
- 7) To frame, devise and monitor risk management plan and policy of the Company, including evaluating the adequacy of risk management systems;
- 8) To review and recommend potential risk involved in any new business plans and processes;
- 9) To review the Company's risk-reward performance to align with the Company's overall policy objectives;
- 10) Monitor and review regular updates on business continuity;
- 11) Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and
- 12) Performing such other activities as may be delegated by the Board or specified/provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

The composition of the Risk Management Committee of the Company along with the details of the meetings held and attended by the members of the Committee during the F.Y. 2022-23 are given below:

Name Of Director	Chairman/Member	Category Of Directorship
Rameshbhai Ravajibhai Talavia	Chairman	Executive Director
Deepak Bachubhai Kanparia	Member	Independent Director (Non-Executive)
Jamankumar Hansarajbhai Talavia	Member	Executive Director

Stakeholders Relationship Committee

The terms of reference of the committee include the issues concerning resolving grievances of shareholders, investors, public deposit holders and other stakeholders of the Company.

The members of Company's stakeholder's relationship committee are Mr. Deepak Bachubhai Kanparia chairman, Mr. Jamankumar Hansarajbhai Talavia - member and Mr. Rameshbhai Ravajibhai Talavia - member. During the year 2022-23, one meeting of stakeholder's

relationship committee was held on January 5, 2023. All the members attended the meeting of Stakeholders Relationship Committee. Number of investor complaints received, solved and pending during the period from April 1, 2022 to March 31, 2023 are as given below:

Nature of Complaints	Received	Solved	Pending
Non receipt of securities/complaint relating to transfer of shares	Nil	Nil	Nil
Non receipt of dividend warrants	Nil	Nil	Nil
Clarification regarding shares	1182	1182	Nil
Correction in name of securities holders	Nil	Nil	Nil
Non receipt of annual report	Nil	Nil	Nil

Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013, the Company has constituted corporate social responsibility committee, inter alia, to formulate and recommend to the board of directors, a corporate social responsibility (CSR) policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made thereunder, to recommend the amount of expenditure to be incurred on the CSR activities and to monitor the implementation of the CSR Policy of the Company from time to time.

The members of Company's corporate social responsibility committee are Mr. Bhaveshkumar Jayantibhai Ponkiya - chairman, Mr. Deepak Bachubhai Kanparia - member, and Mr. Rameshbhai Ravajibhai Talavia - member. During the year 2022-23, two meetings of corporate social responsibility were held on 03-08-2022 and 31-03-2023. All the members attended all the meeting of Corporate Social Responsibility Committee.

Secretary of the Company acts as the secretary of the corporate social responsibility committee.

Independent Directors Meeting

Independent Directors play a vital role in the governance processes of the Board by creating a conducive environment for insightful deliberations and informed decision-making thus enhancing corporate credibility and governance standards.

The Company currently has three Non-Executive, Independent Directors which comprises 50% of the total strength of the Board of Directors. The maximum tenure of the Independent Directors is in accordance with the Act and the SEBI Listing Regulations. All Independent Directors of the Company have been appointed as per the provisions of the Act and the SEBI Listing Regulations. Formal letters of appointment have been issued to Independent Directors. As required by Regulation 46 of the SEBI Listing Regulations, the terms and conditions of their appointment are disclosed on the Company's website at <https://www.dharmajcrop.com/investors-disclosures-under-regulation-46-and-62-of-sebi-lodr-regulations-2015/>.

In the opinion of the Board, the Independent Directors fulfill the conditions of independence specified in the Act and the SEBI Listing Regulations and are independent of the Management. The appointment/re-appointment of Independent Directors is carried out in a structured manner in accordance with the provisions of the Act and the SEBI Listing Regulations. The Charter of the Nomination and Remuneration Committee ('NRC') provides for identification of candidates based on certain laid down criteria and takes into consideration the need for diversity of the Board and accordingly makes its recommendations to the Board.

Meeting of independent directors of the Company was held on March 27, 2023 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the SEBI Listing Regulations.

At the Meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of the Managing Director & CEO and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Meeting was attended by all the Independent Directors as on that date and Mr. Bhaveshkumar Ponkiya chaired the said Meeting.

Familiarisation Programme for Independent Directors:

The Company has an orientation programme upon induction of new Directors as well as other initiatives to update the existing Directors on a continuous basis.

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company also has an ongoing familiarisation programme for its Independent Directors with the objective of familiarising them with the Company, its operations, strategies and business model, nature of the industry and environment in which it operates, functions, policies and procedures of the Company, the regulatory environment applicable to it etc.

The Board is provided with all the documents required and/or sought by them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part. The Board is also regularly informed about significant developments in the industry, geopolitical issues, regulatory changes and other developments that impact the Company. Pursuant to Regulation 46 of the SEBI Listing Regulations, details of familiarisation programmes imparted to the Independent Directors are available on the Company's website at <https://www.dharmajcrop.com/investors-disclosures-under-regulation-46-and-62-of-sebi-lodr-regulations-2015/>.

During the year under review, an offsite strategy Board Meeting was organised which provided the Board an opportunity to comprehend the Company's footprint in the industry and provide a good perspective of the future opportunities/challenges. The Meeting focused on the Company's future strategy and covered various areas of business functions.

Corporate Sustainability Initiatives

Dharmaj Crop Guard Limited, recognizes its responsibility towards promoting sustainable development and preserving the environment for future generations. The Company is committed to conducting its business operations in an environmentally responsible and sustainable manner. To this end, the management of the Company has been responsible to oversee the sustainable initiatives implemented by them as under:

1. Analyzing compliance with various environmental laws and regulations applicable to the Company's business operations.
2. Incorporating best practices for sustainable development in all aspects of the Company's business operations.
3. Identifying opportunities to reduce the environmental impact of the Company's business operations, such as reducing waste, conserving energy, and minimizing greenhouse gas emissions.
4. Developing and implementing sustainability initiatives, such as promoting the use of renewable energy, reducing water usage, and encouraging sustainable transportation practices.
5. Monitoring and reporting on the Company's sustainability performance to stakeholders, including shareholders, customers, employees, and the broader community.

In addition to complying with all relevant environmental laws and regulations, **Dharmaj Crop Guards Limited**, is committed to promoting sustainable development and minimizing its environmental impact. The Company periodically reviews and update its Sustainability initiatives to ensure that it reflects best practices and aligns with its sustainability objectives.

Green Initiative for Paperless Communications:

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies through electronic mode. In accordance with Sections 20 and 101 of the Act, companies can now send various notices/documents to their shareholders through electronic mode to the e-mail addresses of the shareholders, registered with either the Company or Depository Participant and changes therein from time to time.

This is an opportunity for every shareholder of the Company to contribute to the Green Initiative for paperless communication. The shareholders holding shares in demat mode are requested to register their e-mail address/change their email address with their Depository Participant, in the event they have not done so earlier for receiving notices/documents through electronic mode.

8. Whistle Blower Policy:

A Vigil Mechanism/Whistle-blower Policy has been formed for the Directors and employees to report their genuine concerns or grievances, in compliance with the provisions of Section 177 of the Act read with Rule 7 of Chapter XII of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations. The Vigil Mechanism/Whistle-blower Policy is hosted on the Company's website.

The Vigil Mechanism provides for adequate safeguards against victimization of employees and Directors who use the Vigil Mechanism and also provides for direct access to the Chairman of the Audit Committee and in case of repeated frivolous complaints being filed by a Director or an employee, the Chairman of the Audit Committee may take suitable action against the concerned Director or employee including reprimanding. No personnel has been denied access to the Audit Committee to report their concerns/grievances.

The Company has in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to the notified persons. The reports received from any employees will be reviewed by the audit committee. It is affirmed that no person was denied access to the audit committee in this respect. The directors and senior management are required to maintain confidentiality of such reporting and ensure that whistle blowers are not subject to any discriminatory practice.

9. CEO and CFO certification:

The CEO and CFO have certified to the Board, inter-alia, the accuracy of financial statements and adequacy of internal controls for the financial year ended March 31, 2023, as required under Regulation 33(1)(e) read with Schedule IV of the Listing Regulations.

10. General Body Meeting:

Location and time for the last three Annual General Meetings

Year ended	Category-Date	Time	Venue	No of special resolutions passed
31-03-2022	Annual General Meeting 15-09-2022	05.00 PM	Corporate Office Office No. 901 to 903 & 911, B-square 2, Iscon Ambli Road, Ahmedabad -380058.	Regularize the appointment of Mrs. Amisha Fenil Shah (DIN: 09411332) as an Independent Director
2020-21	Extraordinary General Meeting 25-11-2021	05.00 PM	Corporate Office Office No. 901 to 903 & 911, B-square 2, Iscon Ambli Road, Ahmedabad -380058.	<ul style="list-style-type: none"> • To Consider the Alteration in the Main Object Clause of the Company • To Approve the Issuance of Bonus Shares • Raising of Capital Through an Initial Public Offering • Adoption of Revised Articles of Association

Year ended	Category-Date	Time	Venue	No of special resolutions passed
31-03-2021	Annual General Meeting 21-10-2021	05.00 PM	Corporate Office Office No. 901 to 903 & 911, B-square 2, Iscon Ambli Road, Ahmedabad -380058.	There was no matter that required passing of Special Resolution.
31-03-2020	Annual General Meeting 07-11-2020	02.00PM	Corporate Office B-403-404, Signature-II, Nr. Sanand Cross Road, S.G. Highway, Ahmedabad - 382210	<ul style="list-style-type: none"> • Re-appointment of Mr. Rameshbhai R. Talavia (DIN: 01619743) as the Managing Director • Approval of Remuneration of Mr. Jamankumar Hansrajibhai Talavia (Din: 01525356), the Whole Time Director of the Company • Approval of Remuneration of Mr. Vishal Domadia, (DIN: 07451968), the Whole Time Director of the Company • Approval of Remuneration of Mr. Jagdishbhai Ravjibhai Savaliya (DIN: 06481920), the Whole Time Director of the Company • To Raise the Borrowing Powers of the Board from ₹ 60 Crores to ₹ 100 Crores • Creation of Charges on the Movable and Immovable Properties of the Company, both present and future, in Respect of Borrowings • Change in place of Keeping Register of Members. • Payment of Bonus to the Executive Directors

Disclosures

Disclosures on materially significant related party transactions, i.e. transactions of the Company of material nature, with its promoters, the directors or management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large:

All transactions with related parties are in the ordinary course of business and at arm's length. The Company has not entered into any transactions of a material nature with any related parties which are in conflict with the interest of the Company. The details of related party transactions are also disclosed in the note 36 to accounts in this annual report. web link where policy on dealing with related party transactions is <https://www.dharmajcrop.com/investors-disclosures-under-regulation-46-and-62-of-sebi-lodr-regulations-2015/>.

During the year under Review Company does not have any subsidiaries and associated Company.

11. Compliance with accounting standards:

In the preparation of financial statements there is NO deviation from the prescribed accounting standards.

12. Code of conduct:

The Company has formulated the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Immediate Relatives and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with the guidelines specified under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

The Compliance Officer designated under the Code of Conduct is responsible for complying with the procedures, monitoring adherences to the rules for the prevention of disclosure of unpublished price sensitive information, preclearance of trade, monitoring of trades and implementation of Code of Conduct under the overall supervision of the Board the software is also installed for monitoring the same weekly. The Company's Codes, inter- alia, prohibits purchase and/or sale of shares of the Company by an Insider, while in possession of Unpublished Price Sensitive Information ("UPSI") in relation to the Company during the prohibited period which is notified to all sufficiently in advance. The Company's Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is uploaded on the Company's website at <https://www.dharmajcrop.com/investors-disclosures-under-regulation-46-and-62-of-sebi-lodr-regulations-2015/>.

A certificate has been obtained from Practicing Company Secretaries, confirming that none of the directors on the Board has been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority and is annexed hereto.

Certificate on Compliance with Code of Conduct:

I, Ramesh Ravajibhai Talavia, Chairman and Managing Director, do hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2022-23, as laid down by the Company.

13. Compliance with Mandatory Requirements and adoption of the non-mandatory requirements:

i) Compliance with mandatory requirements:

The Company has complied with all the mandatory requirements as prescribed under the Listing Regulations, including Corporate Governance requirements as specified under Regulations 17 to 27, Regulation 34 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, as applicable.

ii) Adoptions of the non-mandatory requirements:

- 1) Details regarding circulating financial performance of the Company including significant events are provided in the head 'Means of communication'.
- 2) Pursuant to the provisions of Part E of Schedule II of the Listing Regulations, the Auditor's Report on statutory financial statements of the Company has an unmodified opinion.
- 3) The Internal Audit Plan is approved by the Audit Committee and the Internal Auditors present their report to the Audit Committee for its consideration.

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

i) Number of complaints filed during the financial year: Nil

ii) Number of complaints disposed of during the financial year: NA

iii) Number of complaints pending as on end of the financial year: NA

15. Details of Non-Compliance by the Company, penalties, structure imposed on the Company by the Stock Exchanges, Securities and Exchange Board of India or any statutory authorities or any matter related to capital markets:

There has been no instance of any non-compliance to warrant imposition of any penalty and issuance of any strictures on the Company by the stock exchange(s) or Securities Exchange Board of India or any statutory authority, on any matter related to capital markets.

16. Means of Communication:

Quarterly results:

The Company regularly publishes its audited and unaudited results in all the in English daily and Gujarati daily. Quarterly

results are sent to the Stock Exchanges immediately after the approval of the Board. The financial results, official news releases and other relevant information are updated regularly and promptly on the Company's corporate website at <https://www.dharmajcrop.com/investors-disclosures-under-regulation-46-and-62-of-sebi-lodr-regulations-2015/>. The management discussion and analysis report is attached to the directors' report and forms part of the annual report.

Website:

The Company's corporate website <https://www.dharmajcrop.com/investors-disclosures-under-regulation-46-and-62-of-sebi-lodr-regulations-2015/> contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

Credit Rating

Our Company's bank loan facilities amounting to ₹ 155.05 Crores are domestically rated by CRISIL Ratings Limited as CRISIL BBB/ stable as on January 17, 2023 Short term rating CRISIL A3+.

NSE Electronic Application Processing System ('NEAPS'), Digital exchange of NSE and BSE Corporate Compliance and Listing Centre ('Listing Centre'):

NEAPS, Digital exchange of NSE and Listing Centre are web-based applications for corporates to undertake electronic filing of all periodical compliance related filings like shareholding pattern, corporate governance report, media releases, among others

Securities and Exchange Board of India Complaints Redress System (SCORES):

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Annual Report:

The Annual Report containing, inter-alia, Audited Standalone Financial Statements, Board's Report including annexures thereto, Auditors' Report and other important information are circulated to Members and others entitled thereto.

Presentations to institutional investors/analysts:

Detailed presentations are made to institutional investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results. These presentations are sent to the stock exchanges and are also uploaded on the Company's corporate website at

Concalls with institutional investors/analysts:

Conference calls are held with investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results. Prior intimation of the concalls along with details is sent to the stock exchanges and is also uploaded on the corporate website of the Company at <https://www.dharmajcrop.com/investors-disclosures-under-regulation-46-and-62-of-sebi-lodr-regulations-2015/>. The transcripts of these calls are uploaded on the Company's corporate website.

17. General Shareholder Information:**Annual general meeting**

Day and date:	04 September 2023, Monday				
Time:	11.30 AM				
Last date for receipt of Proxy Forms:	In terms of the relaxations granted by the MCA, the facility for appointment of proxies by Members will not be available for the ensuing AGM.				
Financial Calendar (tentative):	The financial year of the Company starts on April 1 and ends on March 31 of next year.				
Listing on Stock Exchanges:	The Company's Equity Shares are listed on the following Stock Exchanges: <table border="1" style="margin-left: 20px;"> <tr> <td>BSE Limited ('BSE')</td> </tr> <tr> <td>Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001</td> </tr> <tr> <td>National Stock Exchange of India Limited ('NSE')</td> </tr> <tr> <td>Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051</td> </tr> </table>	BSE Limited ('BSE')	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	National Stock Exchange of India Limited ('NSE')	Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051
BSE Limited ('BSE')					
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001					
National Stock Exchange of India Limited ('NSE')					
Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051					

The Company has paid the listing fees to these Stock Exchanges for FY 2022-23 and FY 2023-24

For the year ended March 31, 2024, interim results will be announced as follows:

- First Quarter On or before August 14, 2023
- Second Quarter On or before November 14, 2023
- Third Quarter On or before February 14, 2024
- Fourth Quarter On or before May 30, 2024

Notes regarding payment of annual listing fees:

The Equity Shares of the Company are listed at BSE Limited and National Stock Exchange of India Limited. The Annual Listing Fees for the F.Y. 2023-24 has been paid to both the above Stock Exchanges. Addresses of the Stock Exchanges, where equity shares of the Company are presently listed are given below:

Stock code at The NSE Limited: DHARMAJ

Stock code at The BSE Limited: 543687

ISIN with NSDL and CDSL: INE000Q01016

CIN: L24100GJ2015PLC081941

18. Market Price Data And Stock Performance:

The equity shares of the Company are listed at the NSE Limited and BSE Limited from the month of December 2022 and the market price data of the Company's share of the face value of ₹ 10/- each, traded in the NSE Limited and BSE Limited from December 2022 to March 2023 were as under:

Month	Share Price BSE		Share Price NSE	
	High Price	Low Price	High Price	Low Price
December 2022	278.90	178.50	279.00	178.40
January 2023	216.05	172.45	216.45	172.20
February 2023	181.15	151.50	181.40	151.75
March 2023	175.80	139.00	175.90	137.00

Source: NSE and BSE Websites.

Note: Closing share prices are considered

Share price performance in comparison to broad-based indices, BSE Sensex and NSE Nifty:

Since the Company got listed on December 8, 2022, the relevant historical data is not available for making comparison

19. Address for correspondence:

Investors and shareholders can correspond with the Company at the following address:

Compliance Officer

Mrs. Malvika Bhadreshbhai Kapasi
 Company Secretary & Compliance Officer
 Office No. 901 to 903 & 911,
 B-square 2, Iscon Ambli Road,
 Ahmedabad - 380058, Gujarat(India).
 Mail Id: cs@dharmajcrop.com
 Contact No.: 079-26893226
 Website: www.dharmajcrop.com

The Registrar and Share Transfer Agent of the Company:

Link Intime India Private Limited,
C-101, 247 Park,
LBS Marg, Vikhroli
West, Mumbai
Maharashtra - 400083.
Email: dharmaj.crop@linkintime.co.in

Share transfer systems:

Since the Company's shares are traded in the demat segment on stock exchange, bulk of the transfer takes place in the electronic form.

20. Audit for Reconciliation of Share Capital:

Pursuant to Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 all issuer companies shall submit an audit report of capital integrity, reconciling the total shares held in both the Depositories, viz. NSDL and CDSL and in physical form with the total issued, subscribed and paid-up capital of the Company.

The said report, duly signed by a Practicing Company Secretary is submitted to the stock exchanges where the securities of the Company are listed, within 30 days of the end of each quarter and the audit report is also placed before the Board of Directors of the Company.

21. Shareholding Pattern as on March 31, 2023:**Categories of Shareholding as on March 31, 2023:**

Sr. No.	Category	No. of shares held	% of total shareholding
1	Promoters	2,37,94,323	70.40
2	Mutual fund	-	-
3	Banks, financial institutions, insurance companies	-	-
4	Foreign institutional investors	17,01,232	5.03
5	Private bodies corporate	9,80,375	2.90
6	Indian Public & Others	72,06,242	21.33
7	NRIs/OCBs	1,15,124	0.34
8	GDR/ADR	-	-
	Grand total	3,37,97,296	100.00

Distribution of shareholding as on March 31, 2023:

Category	No. of folios	% of total folios	No. of shares	% of total shareholding
1 to 5000	61691	97.08	40,84,057	12.08
5001 to 10000	1191	1.88	9,48,779	2.81
10001 to 20000	398	0.63	5,94,092	1.76
20001 to 30000	110	0.17	2,76,299	0.82
30001 to 40000	46	0.07	1,66,055	0.49
40001 to 50000	22	0.03	1,02,876	0.30
50001 to 100000	49	0.08	3,67,670	1.09
More than 100000	40	0.06	2,72,57,468	80.65
Total	63547	100.00	3,37,97,296	100.00

Dematerialization of shares and liquidity

The Company's equity shares are available for dematerialization on both National Securities Depository Limited and Central Depository Services (India) Limited. Equity shares of the Company are traded in demat form on stock exchanges. 100.00% of the capital is in dematerialized form and bulk of transfer takes place in the demat form. The details of the same is as under:

Dematerialization of shares as on March 31, 2023:

Form	No. of Shares
Held in dematerialized form in CDSL	2,98,03,519
Held in dematerialized form in NSDL	39,93,777
Total	3,37,97,296

22. Outstanding GDRs/ADRs/Warrants or any convertible instruments and conversion rate and likely impact on equity:

There are no such Outstanding GDRs/ADRs/Warrants or any convertible instruments.

23. Commodity price risk or foreign exchange risk and hedging activities:

The foreign exchange risk is insignificant as it relates primarily to the export newsprint for which the Company does not remain exposed to the fluctuation for a period exceeding 2-3 months. On the basis of its past experience, the management believes that cost of hedging of such insignificant risk is much higher than the value of risk and therefore it does not hedge such risk.

24. Details of Plant Locations:

UNIT I

Plot No. 408-409-410- 411,
Kerala GIDC Estate, Off NH-8,
At: Kerala, Tal.: Bavla,
Dist: Ahmedabad-382220.

UNIT II

Plot no. DP-154, GIDC-Chemical Zone,
Saykha-11 District Bharuch,
Gujarat- 392 140

Address for correspondence

Shareholders may correspond with the Company at its registered office at

The Secretarial Department
Dharmaj Crop Guard Limited

Corporate Office

Office No. 901 to 903 & 911,
B-square 2, Iscon Ambli Road,
Ahmedabad - 380058, Gujarat (India).
Mail Id: cs@dharmajcrop.com
Contact No.: 079-26893226
Website: www.dharmajcrop.com

25. Reporting for Non-compliance Instances for FY 2022-23 if any:

There is no instance where the Board has not accepted any recommendation of any committee of the Board, which is mandatorily required in the financial year 2022- 23.

There were no instances of non-compliance, penalty or strictures imposed on the Company by Stock Exchanges, SEBI or other statutory authority of any matter related to the capital market, during the last three years.

26. Vigil Mechanism (Whistle Blower Policy):

The Company has implemented a Vigil Mechanism (Whistle Blower Policy) and is posted on the Company's website at <https://www.dharmajcrop.com/investors-disclosures-under-regulation-46-and-62-of-sebi-lodr-regulations-2015/> Key policies and no person is denied access to the Audit Committee. The Company is doing business with honesty and integrity over the years. The system is in place to report unethical conduct in order to promote professionalism, fairness, dignity, and ethical behaviour in its staff and stakeholders. The said system also safeguards the employees who use the vigil mechanism from being victimized.

27. Fees Paid to Auditor:

During the year, total fees of 0.45 Million have been paid to Statutory Auditors M/s. Karma & Co. LLP.

28. Fund Raising under Regulation 32(7A) of the Listing Regulation:

The details of utilization of Fund raised through IPO are given in Note no. 44 of Financial statement

29. Disclosure of Compliance with Corporate Governance Requirements:

The Company has complied with corporate governance requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of the Listing Regulations.

The requisite Certificate from the Secretarial Auditors of the Company, confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations is annexed hereto. The Company has also obtained an Annual Secretarial Compliance Report from the Secretarial Auditors of the Company on compliance of all applicable SEBI Regulations and circulars/guidelines issued thereunder, as mandated by SEBI Circular CIR/CFD/CMD1/27/2019 dated February 8, 2019.

Compliance Certificate on Corporate Governance

To,
The Members,
Dharmaj Crop Guard Limited
CIN: L24100GJ2015PLC081941

We have examined all relevant records of **Dharmaj Crop Guard Limited** for the purpose of certifying compliance of conditions of Corporate Governance as stipulated under para C and D of Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on March 31, 2023.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. This certificate is neither an assurance as to the further viability of the Company nor of the effectiveness with which the management has conducted the affairs of the Company.

On the basis of the examination of the records produced, explanations and information furnished, we certify that the Company has complied with the mandatory conditions of the Corporate Governance as stipulated in para C of Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Parikh Dave & Associates**
Company Secretaries

Uday Dave

Practicing Company Secretary
Partner

ICSI Unique Code No.: P2006GJ009900

Peer Review Certificate No.: 796/2020

FCS No. 6545 CP. No. 7158

UDIN: F006545E000580822

Place: Ahmedabad

Dated: July 11, 2023

Affirmation of Compliance with Code of Conduct

[Declaration Pursuant to Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members,
Dharmaj Crop Guard Limited

I hereby declare that all the Board members, Key Managerial Personnel and Senior Management Personnel as on March 31, 2023, have affirmed compliance with the Company's Code of Ethics for Directors, KMP and other Members of Senior Management.

For **Dharmaj Crop Guard Limited**

Place: Ahmedabad
Dated: July 11, 2023

Mr. Ramesh Ravajibhai Talavia
Chairman & Managing Director
DIN: 01619743

Compliance Certificate by Chief Executive Officer and Chief Financial Officer

[In terms of regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

- A. We have reviewed Audited Financial Statements and Cash Flow Statements for Financial Year ended March 31, 2023 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year ended March 31, 2023 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or 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, wherever applicable:
- (1) significant changes (if any) in internal control over financial reporting during the Financial Year ended March 31, 2023;
 - (2) significant changes (if any) in accounting policies during the Financial Year ended March 31, 2023 and that the same have been disclosed in the notes to the Financial Statements; and
 - (3) instances of significant fraud (if any) of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Dharmaj Crop Guard Limited**

Place: Ahmedabad
Dated: July 11, 2023

Mr. Vishal Domadia
Chief Executive Officer

Mr. Vinay Joshi
Chief Financial Officer

Directors Disqualification

To,
The Members,
Dharmaj Crop Guard Limited
CIN: L24100GJ2015PLC081941

We have examined relevant registers, records, forms, returns and disclosures in respect of the Directors of **Dharmaj Crop Guard Limited** (the Company) having its registered office situated at Plot No. 408 to 411, Kerala GIDC Estate, Off NH-8, At: Kerala, Ta.: Bavla, Ahmedabad- 382220 which were produced before us by the Company for the purpose of issuing a certificate as stipulated in Regulation 34(3) read with Clause (10)(i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time.

In our opinion and to the best of our information and on the basis of the verification of the above stated documents (including the status of Directors Identification Number - DIN on the portal of Ministry of Corporate Affairs - MCA www.mca.gov.in), we hereby certify that none of the Directors on the Board of the Company as on March 31, 2023 have been debarred or disqualified from being appointed or continuing as a Director of the Company by the Board i.e. Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such statutory authority.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the basis of verification of documents produced before us and made available to us.

For **Parikh Dave & Associates**
Company Secretaries

Uday Dave
Practicing Company Secretary
Partner
ICSI Unique Code No.: P2006GJ009900
Peer Review Certificate No.: 796/2020
FCS No. 6545 CP. No. 7158
UDIN: F006545E000580811

Place: Ahmedabad
Dated: July 11, 2023

Independent Auditor's Report

To the Members of **DHARMAJ CROP GUARD LIMITED**

I. Report on the Audit of the Financial Statements Opinion

We have audited the financial statements of **DHARMAJ CROP GUARD LIMITED** Company ("the Company"), which comprise the balance sheet as at March 31, 2023, the statement of profit and loss (Including other comprehensive income), the statement of changes in equity and statement of cash flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and the other accounting principles generally accepted in India, of the state of

affairs of the Company as at March 31, 2023, and its profit and loss (Including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements, and In forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

KEY Audit Matter	Auditor's Response
<p>The Company provides rebates to various customers in terms of formal agreements. The recognition and measurement of rebates, including establishing an accrual at year end, involves significant judgment and estimates, particularly the expected level of rebates of each of the customers.</p> <p>As disclosed in Note to financial statements, revenue is recognized net of sales returns, Judgment and estimates.</p> <p>The value of rebates and sales returns together with the level of judgment involved resulted in rebates and sales returns being a key audit matter.</p>	<p>Our Audit procedures included following:</p> <ol style="list-style-type: none"> 1. Understanding the process followed by the Company for identifying and determining the value of rebates and sales returns. 2. We evaluated the design and tested operating effectiveness of the relevant key financial controls with respect to recognition and accrual of the rebate expenses and sales return. 3. We tested the data used by the Company in assessing the provision for rebates and sales returns for completeness and accuracy by agreeing the invoices for the rebates and sales returns to the formal agreements. 4. On a sample basis, we evaluated the basis of rebate and sales return provision by agreeing amount recognized to the terms of agreements and approvals. 5. We assessed the reasonableness of assumptions and judgments used in the sales return provision by comparing against historical trends of returns and subsequent actual sales return.

Information Other than the Financial Statements and Auditor's 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, but does not include the Financial Statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial

performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

II. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to 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 purpose 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, Statement

of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting 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 Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 32(b) to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amount 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 entity ("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 dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023 and accordingly, reporting under Rule 11 (g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **KARMA & Co LLP**
Chartered Accountants
FRN.: 127544W/W100376

CA Jignesh A. Dhaduk
Partner
M.No.: 129149
UDIN: 23129149BGVKVL1320

Place: Ahmedabad
Dated: May 15, 2023

Annexure A

To the Independent Auditors' Report

Referred to in paragraph 1 under 'Report on Other Legal & Regulatory Requirement' section of our report to the members of **DHARMAJ CROP GUARD LIMITED** of even date.

In terms of the information and explanations sought by us and given by the Company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The Company has maintained proper records showing full particulars of Intangible Assets;

- (b) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain items of Property, Plant and Equipment's were physically verified by the management during the year. 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, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

- (d) As explained to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year, hence reporting under this clause is not required.

- (e) According to the information and explanations given to us, No proceedings has been initiated or are pending against the Company under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, hence reporting under this clause is not required.

- ii. (a) As explained to us, the inventory has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable and the coverage and procedure for such verification is appropriate. No material discrepancies of 10% or more in aggregate for each class of inventory were noted on physical verification of inventory. The year-end inventory has been physically verified by the management and the same is incorporated as per inventory records and books of accounts maintained by the Company.

- (b) As disclosed in note 16 to the financial statements, the Company has been sanctioned with the working capital limits in excess of five Crores rupees, in aggregate from

banks or financial institution on the basis of security of current assets, Quarterly statement filed by Company are in agreement with the books of accounts of the Company.

- iii. (a) In our opinion and according to information and explanation given to us, The Company has not made any investment in, given Guarantee or security or granted any loans or advance which are characterized as loans, unsecured or secured, to Company, LLP or firm or to any other person.

- (b) The Company has not made investment in, provided any guarantee or security or granted any loans or advances to Subsidiaries, Joint Ventures and Associates, hence reporting under this clause is not required.

- (c) In our opinion the Company does not have any loans and advances in the nature of loan is given which was due for repayment during the year and has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties, Hence reporting under this clause is not applicable.

- iv. In our opinion and according to information and explanation given to us, provisions of section 185 and 186 are fully complied by the Company. The Company has not granted any loans to the directors or any person with whom director is related.

- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.

- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of goods, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. However, We have not made a detailed examination of the same.

- vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, GST, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amount payable in respect of the above were in arrears as at reporting date for a period of more than six months from the date on when they become payable.

- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, service tax, GST, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii. According to the information and explanation given to us and the records of the Company examined by us, there are no any transactions which are not recorded in the books of accounts and disclosed or surrendered as income during the year in the tax assessment under the Income Tax Act, 1961. Accordingly paragraph 3 (viii) of the order is not applicable.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender. Accordingly, reporting under this clause is not required.
- (b) According to the information and explanation given to us, the Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanation given to us, the Company has utilized the amount of term loans for the purpose for which they were obtained.
- (d) According to the information and explanation given to us, the Company has not utilized the short term funds for long term purpose.
- (e) According to the information and explanation given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanation given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) In our opinion and according to the information and explanations given to us, The Company has completed Initial Public Offer of ₹ 2159.45 Millions (Excluding OFS). Monies raised by way of IPO were applied for the purpose for which they were raised though. Idle/surplus funds from IPO which were not required for immediate utilization have been gainfully invested in deposits with Bank.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under this clause is not required.
- xi. (a) Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) Based upon the audit procedures performed and according to the information and explanations given to us, as no fraud has been noticed during the year, there is no requirement to file report under section 143 (12) of The Companies Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based upon the audit procedures performed and according to the information and explanations given to us, No whistle-blower complaints has been received by the Company during the year.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) According to the information and explanations given to us and based on our examination the internal audit system is in accordance with its size and business activities.
- (b) During the audit procedure and testing of internal control regarding the financial reporting we have duly consider the internal audit report issue by the internal auditor.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
- xvi. (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the reserve Bank of India Act, 1934.
- (c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) In our opinion, the Company is not a Core Investment Company (CIC) hence reporting under this clause is not required.
- xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

- xviii. According to the information and explanations given to us and based on our examination of the records of the Company, there is no resignation of Statutory Auditors during the year hence, reporting under this clause is not applicable.
- xix. No material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities

existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.

- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **KARMA & Co LLP**
Chartered Accountants
FRN.: 127544W/W100376

CA Jignesh A.. Dhaduk
Partner
M.No.: 129149
UDIN: 23129149BGVKVL1320

Place: Ahmedabad
Dated: May 15, 2023

Annexure B

To the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of **DHARMAJ CROP GUARD LIMITED** of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **DHARMAJ CROP GUARD LIMITED** ("the Company") as of March 31, 2023 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of

internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 **KARMA & Co LLP**
Chartered Accountants
FRN.: 127544W/W100376

CA Jignesh A.. Dhaduk
Partner
M.No.: 129149
UDIN: 23129149BGVKVL1320

Place: Ahmedabad
Dated: May 15, 2023

Balance Sheet

As at March 31, 2023

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and Equipment	2	385.06	389.34
(b) Capital Work in Progress	2	946.91	176.52
(c) Intangible Asset	2	14.49	11.24
(d) Intangible assets under development	2	15.61	7.48
(e) Financial assets			
(i) Investments	3	4.77	4.89
(ii) Others Financial Assets	6	5.36	10.36
(f) Deferred tax assets (net)	14	29.78	2.30
(g) Other non-current assets	7	111.87	55.39
TOTAL NON-CURRENT ASSETS		1,513.85	657.51
CURRENT ASSETS			
(a) Inventories	8	728.58	628.78
(b) Financial assets			
(i) Investments		-	-
(ii) Trade receivables	4	740.80	859.82
(iii) Cash and cash equivalents	9	4.23	9.52
(iv) Loans	5	25.88	0.76
(v) Others Financial Assets	6	1,254.05	1.05
(c) Other Current Assets	7	117.80	38.01
TOTAL CURRENT ASSETS		2,871.33	1,537.95
Assets held for Sale			
TOTAL ASSETS		4,385.18	2,195.45
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	10	337.97	246.83
(b) Other equity	11	2,876.31	602.35
TOTAL EQUITY		3,214.29	849.18
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	12	335.14	253.16
(ii) Lease Liability		-	-
(b) Provisions	13	5.80	4.08
(c) Deferred tax liabilities (net)	14	-	-
(d) Other non-current liabilities	15	37.48	22.41
TOTAL NON-CURRENT LIABILITIES		378.41	279.65
CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	16	189.03	116.12
(ii) Lease Liability		-	-
(iii) Trade payables			
- total outstanding dues of Micro and Small Enterprise	17	-	-
- total outstanding dues of other than Micro and Small Enterprise	17	552.82	913.70
(iv) Other financial liabilities	18	0.82	0.67
(b) Other current liabilities	19	43.26	31.58
(c) Provisions	13	0.53	0.20
(d) Current tax liabilities (net)	20	6.03	4.35
TOTAL CURRENT LIABILITIES		792.48	1,066.62
TOTAL EQUITY AND LIABILITIES		4,385.18	2,195.45

Statement of significant accounting policies and explanatory notes forms an integral part of the financial statements.

For **KARMA & Co LLP**
Chartered Accountants
FRN.: 127544W/W100376

CA Jignesh A. Dhaduk
Partner
M.No.: 129149
UDIN: 23129149BGVKVL1320

Rameshbhai Ravajibhai Talavia
Chairman & Managing Director
DIN: 01619743

Vishal Domadia
Chief Executive Officer

For and on behalf of the Board of Directors
DHARMAJ CROP GUARD LIMITED
CIN: L24100GJ2015PLC081941

Jamanbhai Hansarajbhai Talavia
Director
DIN: 01525356

Vinay Joshi
Chief Financial Officer

Malvika Bhadreshbhai Kapasi
Company Secretary
A52602

Place: Ahmedabad
Dated: May 15, 2023

Statement of Profit and Loss

For the year ended March 31, 2023

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME			
Revenue from Operations	21	5,335.51	3,942.08
Other Income	22	45.08	20.80
Total Income		5,380.59	3,962.88
EXPENSES			
Cost of material consumed	23	4,476.12	3,206.69
Purchases of stock-in-trade		-	5.53
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(154.82)	(126.11)
Manufacturing & Operating Costs	25	58.44	56.65
Employee benefits expense	26	190.46	136.60
Finance Costs	27	23.32	26.15
Depreciation & amortization	28	50.81	52.71
Other expenses	29	291.54	219.34
Total Expenses		4,935.87	3,577.57
Profit/(Loss) before exceptional items and tax		444.72	385.31
Exceptional items Income/(Expense)		-	-
Profit/(Loss) before tax		444.72	385.31
Tax expenses	30		
Current Tax		115.93	101.09
Adjustment of Tax Relating to Earlier Years		(0.04)	0.01
Deferred Tax Liability/(asset)		(2.27)	(2.69)
Total tax expenses		113.62	98.41
Profit after tax for the period		331.10	286.90
Other Comprehensive Income			
Items that will not be reclassified to profit or loss (Net of tax)		(0.11)	0.49
Total Comprehensive Income/(Loss) For The Period		330.99	287.39
Earnings per equity share (FV- ₹ 10/share)			
Basic (₹)	31	12.03	11.62
Diluted (₹)	31	12.03	11.62

Statement of significant accounting policies and explanatory notes forms an integral part of the financial statements.

For **KARMA & Co LLP**
Chartered Accountants
FRN.: 127544W/W100376

CA Jignesh A. Dhaduk
Partner
M.No.: 129149
UDIN: 23129149BGVKVL1320

Rameshbhai Ravajibhai Talavia
Chairman & Managing Director
DIN: 01619743

Vishal Domadia
Chief Executive Officer

For and on behalf of the Board of Directors
DHARMAJ CROP GUARD LIMITED
CIN: L24100GJ2015PLC081941

Jamanbhai Hansarajbhai Talavia
Director
DIN: 01525356

Vinay Joshi
Chief Financial Officer

Place: Ahmedabad
Dated: May 15, 2023

Malvika Bhadreshbhai Kapasi
Company Secretary
A52602

Cash Flow Statement

For the year ended March 31, 2023

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	444.72	385.31
Adjustments for:		
Depreciation	50.81	52.71
(Profit)/Loss on Sale of Assets	(0.26)	(1.18)
Interest Expenses	21.79	23.87
Bad Debts	-	-
Loss on Remeasurement of Employee Benefits	(0.15)	0.66
Sundry Balances Written Back	-	-
Operating Profit Before Working Capital Changes	516.91	461.37
Trade and Other Receivables	91.15	(498.42)
Inventories	(99.80)	(193.03)
Trade Payables and Provision	(358.83)	523.25
Other Non Financial Assets	(136.26)	(25.89)
Other financial liabilities	0.15	0.18
Other non-financial liabilities	26.75	(3.87)
CASH GENERATED FROM THE OPERATIONS	40.07	263.58
Direct Taxes Paid	(114.21)	(99.47)
Net Cash from Operating Activities	(74.15)	164.11
B CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(829.52)	(236.52)
Sale of Fixed Assets	1.47	2.76
Movement in Other Bank Balance- Fixed Deposits	(1,245.25)	-
Investment in Company	0.12	(4.89)
Net Cash from Investment Activities	(2,073.19)	(238.65)
C CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Shares	2,011.42	-
Dividend Paid	(2.47)	(1.65)
Interest paid	(19.68)	(19.06)
Addition Long term Borrowing	292.93	144.38
Repayment of Long term Borrowings	(251.53)	(54.47)
Addition to Short Term Liability	211.36	135.52
Repayment of Short term Borrowings	(100.00)	(130.20)
Net Cash from Financing Activities	2,142.04	74.53
NET INCREASE IN CASH AND CASH EQUIVALENTS	(5.30)	(0.01)
Opening Balance	9.52	9.53
Closing Balance	4.23	9.52
NET INCREASE IN CASH AND CASH EQUIVALENTS	(5.30)	(0.01)

Note: Figure in brackets denote outflows.

Statement of significant accounting policies and explanatory notes forms an integral part of the financial statements.

For **KARMA & Co LLP**
Chartered Accountants
FRN.: 127544W/W100376

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Partner
M.No.: 129149
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Statement of Changes in Equity

For the year ended March 31, 2023

A. Equity Share Capital

Particulars	March 31, 2023		March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid				
Balance at beginning of the Period	2,46,83,372	246.83	1,64,55,581	164.56
Changes in Equity Capital				
Add: Bonus Issue of Shares	-	-	82,27,791	82.28
Add: Fresh Issue of Shares (IPO) (Refer Note no - 44)	91,13,924	91.14	-	-
Balance at the end of period	3,37,97,296	337.97	2,46,83,372	246.83

B. Other Equity

Particulars	Retained Earnings	Securities Premium	Total
As at April 1, 2021	321.74	77.14	398.89
Profit for the year	286.90	-	286.90
Re-measurement of net defined benefit plans	0.66	-	0.66
- Deferred Tax on above	(0.17)	-	(0.17)
Dividend Paid	(1.65)	-	(1.65)
Utilisation for Bonus of Shares	(5.13)	(77.14)	(82.28)
As at March 31, 2022	602.35	-	602.35
Profit for the year	331.10	-	331.10
Addition during the Year (Refer Note no - 44)	-	2,068.39	2,068.39
IPO Expenses (Net of Taxes) (Refer Note no - 44)	-	(122.94)	(122.94)
Re-measurement of net defined benefit plans	(0.15)	-	(0.15)
- Deferred Tax on above	0.04	-	0.04
Dividend Paid	(2.47)	-	(2.47)
Utilisation for Bonus of Shares	-	-	-
As at March 31, 2023	930.87	1,945.44	2,876.31

For **KARMA & Co LLP**
Chartered Accountants
FRN.: 127544W/W100376

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Place: Ahmedabad
Dated: May 15, 2023

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Notes accompanying to the Financial Statements

For the year ended March 31, 2023

1. Corporate Information

DHARMAJ CROPGUARD LIMITED was incorporated on January 19, 2015. The Company is engaged in the business of manufacturing and dealing in pesticides including concessionaires of public health products for pest control, insecticides, herbicide, fertilizers and allied products related to research and technical formulations. On December 8, 2022, the equity shares of the Company have been listed on the BSE Limited and National Stock Exchange of India Limited. The financial statements of the Company for the year ended March 31, 2023 were approved and adopted by board of directors in their meeting held on May 15, 2023.

1.2. Basis of Preparation

The financial statement of the Company comprises the statement of assets and liabilities as at March 31, 2023, the statement of profit and loss (including other comprehensive income), the Statement of Changes in Equity, the Cash Flow Statement for the year ended March 31, 2023, the Summary Statement of Significant Accounting Policies, and other explanatory information Collectively, the "Financial Statement").

Ministry of Corporate Affairs notified road map to implement Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013. read with (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the said road map, the Company is required to apply Ind AS starting from financial year beginning on or after April 1, 2016. Accordingly, the financial statements of the Company have been prepared in accordance with the Ind AS.

These financial statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values which are disclosed in the Financial Statements, the provisions of the Companies Act, 2013 ('Act') (to the extent notified).

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of reliability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

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

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest Millions with two decimal, except otherwise indicated.

1.3. Significant Accounting Estimates, Assumption and Judgements

The preparation of financial statements requires management's judgments, estimates and assumptions that impacts the reported amount of revenues, expenses, assets and liabilities, and the accompanying notes thereon. Uncertainty about these assumptions and estimates could result in outcomes that might require a material adjustment to the carrying amount of assets or liabilities in future periods.

Estimates

The preparation of the financial statements in conformity with Ind-AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amount of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amount of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

Judgements

1) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2) Impairment of property, plant and equipment

For property, plant and equipment and intangibles an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's recoverable amount or previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

3) Impairment of investment

For determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have estimated the future cash flow, capacity utilization, operating margins and other factors of the underlying businesses/operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

4) Inventories

The Company estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

5) Recognition and measurement of other Provisions

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

1.4. Summary Of Significant Accounting Policies

A) Revenue Recognition:

a) Revenue from Operations:

Effective April 1, 2018, the Company has applied Ind-AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind-AS 115 replaces Ind-AS 18. The Company has adopted Ind-AS 115 using the cumulative catch up transition method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind-AS 18. Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy is as per Ind-AS 18. The adoption of Ind-AS 115 does not have significant effect on the financial results.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is recognized at point in time when the performance obligation with respect to Sale of products or rendering of services to the Customer which is the point in time when the customer receives the goods and services.

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates, sales return on transfer of control in respect of ownership to the buyer which is generally on dispatch of goods and any other taxes or duties collected on behalf of the Government which are levied on sales such as Goods and Services Tax (GST). Discounts given include rebates, price reductions and other incentives given to customers. No element of financing is deemed present as the sales are made with a payment term which is consistent with market practice.

Revenue from services is recognised when all relevant activities are completed and the right to receive income is established.

This is applicable in case of Job Work services given by the Company to the Customers.

The Company disaggregates revenue from sale of goods or rendering of services with customers by product classification, geographical region and Customer Category.

Use of significant judgements in revenue recognition:

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, price concessions. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct service promised in the contract.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

b) Interest Income:

Interest income including income arising on other instruments are recognised on time proportion basis using the effective interest rate method.

c) Dividend Income:

Dividend income is accounted when the right to receive the same is established, which is generally when shareholders approve the dividend.

B) Export Incentives:

Export incentives under various schemes notified by government are accounted for in the year of exports based on the eligibility and when there is no uncertainty in receiving the same and is included in revenue statement of profit & loss due to its operating nature.

C) Property Plant and Equipment, Investment Property and Depreciation/Amortisation:

a) Items of Property, plant and equipment including Capital-work in-progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any cost attributable of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure related to an item of

fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in statement of profit or loss as incurred. Property, Plant and Equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital Work-in-Progress". Property, Plant and Equipment are eliminated from financial statements, either on disposal or when retired from active use. Gains/losses arising in the case of retirement/disposal of Property, Plant and Equipment are recognised in the statement of profit and loss in the year of occurrence.

b) Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the date of such addition, or up to the date of such sale/disposal, as the case may be.

Assets Category	Estimated useful life (in Years)
Plant & Machinery	15
Servers and networks	6
Computer desktops and laptops	3
Office Equipment	5
Electrical Installation	15
Factory Building	30
Non-Factory Building	30
Vehicles	8
Furniture and fixtures	10
Leasehold Land	Over Primary Lease period

The residual values, useful lives and methods of depreciation of property plant equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

c) Leased assets

Leasehold lands are amortized over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

In other cases, buildings constructed on leasehold lands are amortized over the primary lease period of the lands.

d) Intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed finite. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at

the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible Assets without finite life are tested for impairment at each Balance Sheet date and Impairment provision, if any are debited to profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

D) Impairment of Non-financial Assets

On annual basis the Company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is higher of an asset's fair value or selling price.

An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

E) Cashflow Statements

Cash flows are reported using the indirect method, whereby profit for the period 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 from operating, investing and financing activities of the Company are segregated.

F) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

G) Inventories

All inventories are stated at lower of 'Cost or Net Realizable Value'.

a) Stores and spares, packing materials and raw materials are valued at lower of cost or net realisable value and for this purpose, cost is determined on First in First Out (FIFO) basis. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. However, the aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost.

- b) Finished products and Work in Progress are valued at lower of cost or net realisable value and for this purpose, cost is determined on standard cost basis which approximates the actual cost. Cost of finished goods and work in progress includes direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.
- c) Traded goods are valued at lower of cost and net realizable value. Cost is determined on a FIFO basis.
- d) Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

H) Foreign currency transactions

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that gave rise to the translation difference.

I) Segment reporting

Based on "Management Approach" as defined in Ind AS 108 - Operating Segments the chief operating decision maker regularly monitors and reviews the operating results of the whole Company as one segment of "pesticides, insecticides, herbicide and fertilizers." Thus, as defined in Ind AS 108, the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss. The analysis of geographical segments is based on the areas in which customers of the Company are located.

J) Equity investment

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments, which are held for trading, are classified as at fair value through profit and loss ("FVTPL"). Investment that are readily realisable and intended to be held for not more than a year are classified as current investment. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at fair value through other comprehensive income ("FVTOCI"), then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amount from OCI to statement

of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

K) Government Grant

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to the Statement of Profit and Loss in a systematic basis over the expected life of the related assets and presented within other income.

Government grants relating to the purchase of land is reduced from the cost of assets.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

L) Borrowing Cost

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

Other borrowing costs are recognized as an expenses in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

In determining the amount of borrowing costs eligible for capitalization during a period, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred.

M) Taxes on income

Current Taxes

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals if any.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amount for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of major components of deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilised when the Company will pay normal income tax during the specified period. Deferred tax assets on such tax credit are recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

N) Provisions, Contingent Liabilities and Contingent Assets

Provisions

The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

Contingent liabilities and Contingent Assets

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

O) Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

P) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on straight line basis.

Q) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within 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,
- It 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. Deferred tax assets/liabilities are classified as non-current.

All other liabilities are classified as non-current.

R) Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, 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 assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

S) Financial instruments

a. Financial assets:

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- **Cash flow characteristics test:** 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.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** 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.

Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments other than investment on subsidiary, joint venture and associates are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Investment in associates, joint venture and subsidiaries

The Company has accounted for its investment in subsidiaries and associates, joint venture at cost.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the Financial assets measured at amortized cost.

Expected credit losses are measured through a loss allowance at an amount equal to

- the 12 - months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 - months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

b. Financial liabilities:

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an

existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount is recognized in the statement of profit and loss.

c. Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amount and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

d. Derivative financial instruments:

The Company enters into derivative contracts to hedge foreign currency price risk on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

T) Employee Benefits

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity, a defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected Unit Credit Method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amount included in net interest on the net defined benefit liability and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the Statement of Profit and Loss in the period of plan amendment.

The Company recognizes the following changes in the net defined benefit obligation under employee benefit expenses in the Statement of Profit and Loss:

- i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
- ii) Net interest expense or income.

Termination benefits are payable as a result of the Company's decision to terminate employment before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes these benefits when it has demonstrably undertaken to terminate current employees' employment in accordance with a formal detailed plan that cannot be withdrawn or to provide severance indemnities as a result of an offer made to encourage voluntary redundancy. Benefits that will not be paid within 12 months of the balance sheet date are discounted to their present value. Termination benefits are recognized as an expense in the period in which they are incurred.

All amounts are in ₹ Millions unless otherwise stated

2. Detailed Asset Class Wise Addition, Adjustment, Depreciation, Changes in Net Block

A. Property, Plant and Equipment

Particulars	Leasehold land	Office Building	Factory Building	Plant & Machinery	Motor Vehicles	Office Equipments	Computer	Furniture And Fixtures	Total
GROSS BLOCK									
As at April 1, 2021	102.66	28.86	114.27	178.10	29.20	7.04	9.53	12.83	482.49
Additions during the year	3.79	0.12	6.74	26.46	13.05	1.34	1.55	3.28	56.32
Disposals/Adjustments	-	-	-	1.03	5.27	-	-	-	6.30
Asset held for sale	-	-	-	-	-	-	-	-	-
As at March 31, 2022	106.45	28.98	121.01	203.54	36.98	8.38	11.07	16.11	532.52
Additions during the year	-	-	5.70	29.38	9.85	0.47	1.70	0.01	47.11
Disposals/Adjustments	-	-	-	0.77	4.28	-	-	-	5.04
Asset held for sale	-	-	-	-	-	-	-	-	-
As at March 31, 2023	106.45	28.98	126.71	232.15	42.56	8.85	12.77	16.12	574.58
DEPRECIATION									
As at April 1, 2021	-	0.57	13.36	58.10	11.99	3.06	6.94	1.74	95.77
Charge for the Year	-	2.69	9.78	24.45	7.48	2.21	2.04	3.47	52.13
Disposals/Adjustments	-	-	-	0.45	4.27	-	-	-	4.72
Asset held for sale	-	-	-	-	-	-	-	-	-
As at March 31, 2022	-	3.26	23.14	82.10	15.21	5.27	8.98	5.21	143.18
Charge for the Year	-	2.44	9.34	23.75	8.51	1.49	1.81	2.82	50.17
Disposals/Adjustments	-	-	-	0.18	3.65	-	-	-	3.83
Asset held for sale	-	-	-	-	-	-	-	-	-
As at March 31, 2023	-	5.71	32.48	105.67	20.07	6.76	10.79	8.03	189.52
NET BLOCK									
As at April 1, 2021	102.66	28.29	100.92	120.00	17.21	3.97	2.58	11.09	386.72
As at March 31, 2022	106.45	25.71	97.87	121.43	21.77	3.11	2.09	10.90	389.34
As at March 31, 2023	106.45	23.27	94.23	126.48	22.48	2.08	1.98	8.09	385.06

B.**(i) Capital Work in Progress**

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Opening	176.52	11.40	23.17
Addition during the year	771.52	165.11	9.18
Transfer to PPE	1.13	-	20.95
Closing	946.91	176.52	11.40

(ii) Capital work-in-progress ageing schedule**Capital work-in-progress as at March 31, 2023**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	771.52	163.98	9.18	2.23	946.91

Capital work-in-progress as at March 31, 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	165.11	9.18	2.23	-	176.52

Capital work-in-progress as at April 1, 2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	9.18	2.23	-	-	11.40

C. Intangible Assets

Particulars	Licence	Licence - Sayakha	Software	Trademark	Website	Total
GROSS BLOCK						
As at April 1, 2021	1.90	2.53	0.44	0.99	0.07	5.93
Additions during the year	0.86	6.58	0.06	0.11	-	7.61
Disposals/Adjustments	-	-	-	-	-	-
As at March 31, 2022	2.76	9.11	0.50	1.11	0.07	13.54
Additions during the year	0.46	3.28	-	0.15	-	3.89
Disposals/Adjustments	-	-	-	-	-	-
As at March 31, 2023	3.22	12.39	0.50	1.25	0.07	17.43
AMORTISATION						
As at April 1, 2021	0.81	-	0.31	0.54	0.05	1.72
Charge for the Year	0.41	-	0.04	0.13	0.00	0.58
Disposals/Adjustments	-	-	-	-	-	-
As at March 31, 2022	1.22	-	0.36	0.67	0.06	2.30
Charge for the Year	0.47	-	0.03	0.14	0.00	0.64
Disposals/Adjustments	-	-	-	-	-	-
As at March 31, 2023	1.69	-	0.39	0.80	0.06	2.94

NET BLOCK						
As at April 1, 2021	1.09	2.53	0.12	0.46	0.02	4.21
As at March 31, 2022	1.54	9.11	0.14	0.44	0.01	11.24
As at March 31, 2023	1.54	12.39	0.11	0.45	0.01	14.49

D.**(i) Intangible assets under development**

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Opening	7.48	-	-
Addition during the year	8.14	7.48	-
Transfer to PPE	-	-	-
Closing	15.61	7.48	-

(ii) Intangible assets under development ageing schedule**Capital work-in-progress as at March 31, 2023**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	8.14	7.48	-	-	15.61

Capital work-in-progress as at March 31, 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7.48	-	-	-	7.48

3. Investments

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Investments in Other companies' Equity Instruments (Unquoted)				
Kheti Point Private Limited [2451 equity shares of ₹10 Face value each]	4.89	-	4.89	-
Less: Fair value changes recognized through Profit & Loss A/c	0.12	-	-	-
Total	4.77	-	4.89	-

The Company has invested ₹ 48,94,647 during the previous year, consisting of 2451 equity shares with a face value of ₹ 10 each.

4. Financial Assets - Trade Receivables

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Trade Receivables:				
Considered good - Unsecured	-	740.80	-	859.82
Total	-	740.80	-	859.82

i) Trade Receivable Ageing Schedule
Trade Receivable Ageing Schedule as at March 31, 2023

Particulars	Less than 6 months	6 months to 1 year	1-2 year	2-3 year	More than 3 years	Total
Undisputed trade receivables - considered	651.81	69.79	1.70	0.15	0.47	723.91
Undisputed trade receivables - doubtful	-	-	-	-	-	-
Disputed trade receivables - considered	1.59	1.38	2.78	0.68	10.45	16.89
Disputed trade receivables - doubtful	-	-	-	-	-	-
Total	653.40	71.17	4.48	0.83	10.92	740.80

Trade Receivable Ageing Schedule as at March 31, 2022

Particulars	Less than 6 months	6 months to 1 year	1-2 year	2-3 year	More than 3 years	Total
Undisputed trade receivables - considered	823.66	20.48	0.44	0.35	0.41	845.34
Undisputed trade receivables - doubtful	-	-	-	-	-	-
Disputed trade receivables - considered	1.48	0.03	0.44	9.25	3.28	14.48
Disputed trade receivables - doubtful	-	-	-	-	-	-
Total	825.14	20.51	0.87	9.60	3.69	859.82

All amounts are in ₹ Millions unless otherwise stated

5. Financial Assets: Loans (at amortised cost)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Deposits:				
Considered Good	-	25.88	-	0.76
Total	-	25.88	-	0.76

6. Other Financial Assets

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Interest Accrued	-	3.80	-	1.05
Security Deposits	5.36	-	5.36	-
Fixed Deposit having maturity of more than 12 months	-	-	5.00	-
Fixed Deposit having maturity of less than 12 months	-	1,250.25	-	-
Total	5.36	1,254.05	10.36	1.05

7. Other Assets

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Prepaid Expenses	-	6.42	-	3.53
Advance to Creditors	-	93.26	-	24.10
Balance with Tax Authority	109.78	10.62	34.35	4.47
Staff Advances	-	1.13	-	1.19
Others Receivable	2.09	6.36	21.04	4.73
Total	111.87	117.80	55.39	38.01

8. Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Material	236.99	292.01
Finished Goods	286.63	167.24
Work-in-Progress	204.93	169.35
Trading Goods	0.03	0.17
Total	728.58	628.78

9. Cash and Bank Balance

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Cash and Cash Equivalent				
Cash on Hand	0.44	-	0.57	-
Cash in Foreign Currency	0.04	-	0.15	-
Balances with Bank	3.74	4.23	8.80	9.52
Other Bank Balances				
Balances in Fixed deposit	1,250.25	-	5.00	-
Less: Transferred to Other Non Current Financial Assets (Maturity more than 12 months)	-	-	5.00	--
Less: Transferred to Other Current Financial Assets (Maturity less than 12 months)	1,250.25	-	-	-
Total		4.23		9.52

10. Equity Share Capital**(a) Authorised, Issued, Subscribed and Fully Paid up:**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Capital:				
Equity Shares of ₹ 10/- each	3,50,00,000	350.00	3,50,00,000	350.00
Issued, Subscribed and Fully Paid up Capital:				
Issued Capital				
Equity Shares of ₹ 10/- each, fully paid	3,37,97,296	337.97	2,46,83,372	246.83
Subscribed and Fully Paid up Capital				
Equity Shares of ₹ 10/- each, fully paid	3,37,97,296	337.97	2,46,83,372	246.83
Total		337.97		246.83

(b) Reconciliation of Number of Shares Outstanding:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
As at the beginning of the year	2,46,83,372	246.83	1,64,55,581	164.56
Add: Bonus Issued during the year	-	-	82,27,791	82.28
Add: Fresh Issue of shares during the year (IPO)	91,13,924	91.14	-	-
As at the end of the year	3,37,97,296	337.97	2,46,83,372	246.83

(c) Details of Shareholding in Excess of 5%:

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	%	No. of Shares	%
Rameshbhai Ravajibhai Talavia	90,14,587	26.67%	90,08,087	36.49%
Jamankumar Hansarajbhai Talavia	82,62,355	24.45%	82,50,255	33.42%
Manjulaben Rameshbhai Talavia	22,36,963	6.62%	26,67,285	10.81%
Muktaben Jamankumar Talavia	21,27,053	6.29%	25,49,745	10.33%
Vishal Domadia	12,90,000	3.82%	12,90,000	5.23%

(d) Shareholding of Promoters**Shares held by the promoters as at March 31, 2023**

Promoter Name	No. of Shares	% of Total Shares	% changes during the year
Promoters			
Rameshbhai Ravajibhai Talavia	90,14,587	26.67%	-9.82%
Jamankumar Hansarajbhai Talavia	82,62,355	24.45%	-8.98%
Jagdishbhai Ravajibhai Savaliya	5,07,600	1.50%	-0.55%
Vishal Domadia	12,90,000	3.82%	-1.41%
Promoters Group			
Manjulaben Rameshbhai Talavia	22,36,963	6.62%	-4.19%
Muktaben Jamankumar Talavia	21,27,053	6.29%	-4.04%
Domadia Artiben	92,000	0.27%	-0.34%
Illaben Jagdishbhai Savaliya	12,000	0.04%	-0.09%
Prafullaben Shantilal Savaliya	2,30,400	0.68%	-0.25%
Jinal Jamanbhai Talavia	10,000	0.03%	0.03%
Talavia Hitarth Jamankumar	10,000	0.03%	0.03%
Megi Ramesh Talavia	850	0.00%	0.003%
Neelakumari Kirankumar Dobariya	315	0.00%	0.001%
Ramesh Ravajibhai Talavia (HUF)	200	0.00%	0.001%

Shares held by the promoters as at March 31, 2022

Promoter Name	No. of Shares	%of Total Shares	%changes during the year
Promoters			
Rameshbhai Ravajibhai Talavia	90,08,087	36.49%	0.00%
Jamankumar Hansarajbhai Talavia	82,50,255	33.42%	0.00%
Jagdishbhai Ravajibhai Savaliya	5,07,600	2.06%	0.00%
Vishal Domadia	12,90,000	5.23%	0.00%
Promoters Group			
Manjulaben Rameshbhai Talavia	26,67,285	10.81%	0.00%
Muktaben Jamankumar Talavia	25,49,745	10.33%	0.00%
Domadia Artiben	1,50,000	0.61%	0.00%
Illaben Jagdishbhai Savaliya	30,000	0.12%	0.00%
Prafullaben Shantilal Savaliya	2,30,400	0.93%	0.00%
Jinal Jamanbhai Talavia	-	0.00%	0.00%
Talavia Hitarth Jamankumar	-	0.00%	0.00%
Megi Ramesh Talavia	-	0.00%	0.00%
Neelakumari Kirankumar Dobariya	-	0.00%	0.00%
Ramesh Ravajibhai Talavia (HUF)	-	0.00%	0.00%

(e) Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share. The distribution will be in proportion to the number of equity shares held by the shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) Changes in Authorised Capital

In Financial year 2021-22, the Company's authorised capital increased from ₹ 16,50,00,000 to ₹ 35,00,00,000 comprising of 3,50,00,000 number of equity shares of face value ₹ 10 each.

(g) Issue of Shares Under Bonus shares:

In Financial year 2021-22, the Company had issued 82,27,791 bonus shares of face value of ₹ 10 each. Bonus issue was in proportion of 1:2 on the record date of November 27, 2021 for 82,27,791 fully paid equity shares to the shareholders. The shares was issued from securities premium reserve and retained earnings to the share capital.

11. Other Equity

Particulars	As at March 31, 2023	As at March 31, 2022
Surplus	930.87	602.35
Securities Premium	1,945.44	-
Total	2,876.31	602.35

12. Non Current Financial Liabilities - Borrowings

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current Maturities	Non Current	Current Maturities
Term Loans:				
Vehicle Loan	10.95	5.07	13.94	5.00
Purchase Machinery & Construction	248.95	-	160.85	38.54
Other Loans and Advances:				
Directors & Members	75.23	-	78.36	-
Total	335.14	5.07	253.16	43.53
The above amount includes:				
Secured Borrowings	259.91	5.07	174.80	43.53
Unsecured Borrowings	75.23	-	78.36	-

All amounts are in ₹ Millions unless otherwise stated

(b) Details of securities and repayment terms of secured loans stated above;

1. Term loan and Cash Credit from HDFC Bank

i) Securities for Term Loans:

- 1) Primary Security charges on stock and books debts, and Plant and Machinery.
- 2) Collateral Security charges on immovable fixed assets of borrower at Factory land and building situated at Plot No 408 to 411, off NH8, Kerala GIDC Estate, Kerala, Tal. Bavla, Dist. Ahmedabad.
- 3) Collateral Security charges on immovable fixed assets of borrower at Factory land and building situated at 901 to 903 and 911, B - Square 2, Iscon Ambli road, Ahmedabad.
- 4) Collateral Security charges on immovable fixed assets of borrower at Factory land and building situated at Plot no. DP/154, Saykha to Saran Village Road, Saykha industrial Estate, GIDC Mouje Saykha, Bharuch.

ii) Securities for Term Loans from SBI Bank:

- 1) Primary Security charges on entire present & future current assets of the Company comprises stock and book debts, stores, spares, others etc.

- 2) Primary Security charges on all Plant, machineries, utility items, furniture fixture, lab items, misc. fixed assets created out at Plot no. DP/154, Saykha to Saran Village Road, Saykha industrial Estate, GIDC Mouje Saykha, Bharuch.
- 3) Primary Security charges on immovable fixed assets of borrower at factory land and building situated at Plot no. DP/154, Saykha to Saran Village Road, Saykha industrial Estate, GIDC Mouje Saykha, Bharuch.
- 4) Collateral Security charges on immovable fixed assets of borrower at factory land and building situated at Plot No 408 to 411, off NH8, Kerala GIDC Estate, Kerala, Tal. Bavla, Dist. Ahmedabad.
- 5) Collateral Security charges on immovable fixed assets at office no. 901 to 903 and 911, B - Square 2, Iscon Ambli road, Ahmedabad.
- 6) Collateral Security charges on all Plant, machineries, utility items, furniture fixture and other movable assets situated at Plot No 408 to 411, off NH8, Kerala GIDC Estate, Kerala, Tal. Bavla, Dist. Ahmedabad.
- 7) Joint and several guarantee by a) Rameshbhai Talavia, b) Jamankumar Talavia, c) Muktaben Talavia, d) Manjulaben Talavia, e) Jagdishbhai Savalia, f) Vishal Domadia in individual capacity.

iii) Interest on Term Loans:

Facility	Interest Type	ROI	
		2022-23	2021-22
Term Loan - HDFC Bank Machinery Loan - CLCSS (₹ 4.00 Cr)	Floating Rate	-	7.80%
Term Loan - HDFC Bank Machinery Loan - CLCSS (₹ 1.20 Cr)	Floating Rate	-	7.80%
Term Loan - HDFC Bank Machinery Loan - CLCSS (₹ 1 Cr)	Floating Rate	-	7.80%
Term Loan - HDFC Bank - GECL (₹ 2.32 Cr)	Floating Rate	8.25% to 9.25%	-
Term Loan - HDFC Bank - GECL (₹ 2.95 Cr)	Floating Rate	7.80% to 9.25%	8.25% to 7.80%
Term Loan - HDFC Purchase Machinery & Construction (₹ 12 Cr)	Floating Rate	8.05% to 9.95%	8.05%
Term Loan - HDFC Purchase Machinery & Construction - Saykha	Floating Rate	7.80% to 10.05%	7.80%
Term Loan - SBI Purchase Machinery & Construction - Saykha	Floating Rate	8.00% to 9.10%	-
Bank Overdraft	Fixed Rate	7.50%	-
Cash Credit	Floating Rate	7.80% to 10.05%	8.80% to 7.80%

iii) Repayment Term:

Type of Loan	Repayment Schedule
Term Loan - HDFC Bank Machinery Loan - CLCSS (₹ 4.00 Cr)	Repayable in 59 monthly instalments commencing from 7 th October, 2016 and ending on 7 th July, 2021.
Term Loan - HDFC Bank Machinery Loan - CLCSS (₹ 1.20 Cr)	Repayable in 60 monthly instalments commencing from 7 th April, 2018 and ending on 7 th March, 2023 (Loan amount was fully repaid in August, 2021)
Term Loan - HDFC Bank Machinery Loan - CLCSS (₹ 1.00 Cr)	Repayable in 60 monthly instalments commencing from 7 th July, 2019 and ending on 7 th June, 2024 (Loan amount was fully repaid in August, 2021)
Term Loan - HDFC Bank - GECL (₹ 2.32 Cr)	Repayable in 61 monthly instalments commencing from 7 th July, 2022 and ending on 7 th July, 2027 (Loan amount was fully repaid in December, 2022)
Term Loan - HDFC Bank - GECL (₹ 2.95 Cr)	Repayable in 50 monthly instalments commencing from 7 th November, 2020 and ending on 7 th December, 2024 (Loan amount was fully repaid in December, 2022)

Term Loan - HDFC Purchase Machinery & Construction (₹ 12.00 Cr)	Repayable in 60 monthly instalments commencing from 7 th April, 2020 and ending on 7 th March, 2025 (Loan amount was fully repaid in December, 2022)
Term Loan - HDFC Purchase Machinery & Construction - Saykha	Repayable in 108 monthly instalments commencing from 7 th April, 2024 and ending on 7 th March, 2033. *
Term Loan - SBI Purchase Machinery & Construction - Saykha	Repayable in 84 monthly instalments commencing from 29 th February, 2024 and ending on 31 st January, 2031. **

* Total amount sanction by HDFC bank for Saykha expansion project is ₹ 50 Crores out of which only ₹ 21.51 Crores is disbursed till March 31, 2023.

** Total amount sanction by SBI bank for Saykha expansion project is ₹ 50 Crores out of which only ₹ 13.36 Crores was disbursed & ₹ 10 Crores was prepaid till March 31, 2023.

2. Securities for Vehicle Loans:

Vehicle loans are secured against the same vehicles for which loan is taken.

(c) Maturity profile of Term Loans

Period	As at March 31, 2023	As at March 31, 2022
Within 1 year	5.07	43.53
2 - 3 years	77.53	95.84
4 - 5 years	42.58	27.92
More than 5 years	139.80	51.03
Total	264.98	218.33

(d) Loan from Related Party:

The said loans are repayable on demand when there is surplus cash available with the Company. Based on the management's assessment of repayment the same has been classified as non-current.

(e) As per the Amendment to IND AS 7 "Statement of Cash Flow"

An entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

i) 2022-23

Particulars	Non-current borrowings	Current borrowings	Current maturities of long term borrowings	Total
Opening balance	253.16	72.59	43.53	369.28
Loan Taken during the year	292.93	211.36	-	504.29
Interest converted in to Loan	2.11	-	-	2.11
Repayment of Loan	(251.53)	(100.00)	-	(351.53)
Others	38.46	-	(38.46)	-
Closing balance	335.13	183.95	5.07	524.16

ii) 2021-22

Particulars	Non-current borrowings	Current borrowings	Current maturities of long term borrowings	Total
Opening balance	152.45	67.26	49.52	269.23
Loan Taken during the year	144.38	135.52	-	279.91
Interest converted in to Loan	4.81	-	-	4.81
Repayment of Loan	(54.47)	(130.20)	-	(184.67)
Others	5.99	-	(5.99)	-
Closing balance	253.15	72.59	43.53	369.28

(f) Defaults:

There has been no continuing default in repayments of loan instalments and interest in respect of loans outstandings.

13. Provisions

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Provision for Employee Benefits:				
Provision for Gratuity	5.80	0.53	4.08	0.20
Total	5.80	0.53	4.08	0.20

(a) Disclosures as required by Indian Accounting Standard (Ind AS) 19 Employee Benefits- Gratuity:

a) Reconciliation of opening and closing balances of defined benefit obligation	2022-23	2021-22
Present Value of Benefit Obligation at the Beginning of the Period	4.28	3.46
Interest Cost	0.30	0.23
Current Service Cost	2.02	1.39
Past Service Cost	-	-
Benefit Paid Directly by the Employer	(0.42)	(0.15)
Benefit Paid From the Fund	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.17)	(0.13)
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.32	(0.53)
Present Value of Benefit Obligation at the End of the Period	6.33	4.28

b) Reconciliation of opening and closing balances of fair value of plan assets	2022-23	2021-22
Fair Value of Plan Assets at the Beginning of the Period	-	-
Investment Income	-	-
Contribution by the Employer	-	-
Benefit Paid from the Fund	-	-
Fair Value of Plan Assets at the End of the Period	-	-

c) Reconciliation of fair value of assets and obligations	2022-23	2021-22
Present Value of Benefit Obligation at the end of the Period	6.33	4.28
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/(Deficit))	(6.33)	(4.28)
Net (Liability)/Asset Recognized in the Balance Sheet	(6.33)	(4.28)

d) Expenses Recognized in the Statement of Profit or Loss for Current Period	2022-23	2021-22
Current Service Cost	2.02	1.39
Net Interest Cost	0.30	0.23
Past Service Cost	-	-
Expenses Recognized	2.32	1.63

e) Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period	2022-23	2021-22
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.17)	(0.13)
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.32	(0.53)
Return on Plan Assets, Excluding Interest Income	-	-
Net (Income)/Expense For the Period Recognized in OCI	0.15	(0.66)
Total expenses recognized during the period	2.47	0.97

f) Balance Sheet Reconciliation	2022-23	2021-22
Opening Net Liability	4.28	3.46
Expenses Recognized in Statement of Profit or Loss	2.32	1.63
Expenses Recognized in OCI	0.15	(0.66)
Net Liability/(Asset) Transfer In	-	-
Benefit Paid Directly by the Employer	(0.42)	(0.15)
Employer's Contribution	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	6.33	4.28

g) Net liabilities recognised in the balance sheet	2022-23	2021-22
Long-Term Provision	5.80	4.08
Short-Term Provision	0.53	0.20
Net liabilities recognised in the balance sheet	6.33	4.28

Assumptions	2022-23	2021-22
Expected Return on Plan Assets	Not Applicable	Not Applicable
Rate of Discounting	7.45% P.A.	7.15% P.A.
Rate of Salary Increase	5.00% P.A.	5.00% P.A.
Rate of Employee Turnover	10.00% P.A. at younger ages reducing to 2.00% P.A. at older ages	
Retirement Age	60 Years	60 Years
Mortality Rate	IALM 2012-14	IALM 2012-14

Sensitivity Analysis	As at March 31, 2023		As at March 31, 2022	
	% (Changes)	Amt.	% (Changes)	Amt.
Delta Effect of +1% Change in Rate of Discounting	-8.19%	5.81	-9.03%	3.89
Delta Effect of -1% Change in Rate of Discounting	9.56%	6.93	10.61%	4.73
Delta Effect of +1% Change in Rate of Salary Increase	8.81%	6.89	9.91%	4.70
Delta Effect of -1% Change in Rate of Salary Increase	-7.87%	5.83	-9.00%	3.89
Delta Effect of +1% Change in Rate of Employee Turnover	0.45%	6.36	0.39%	4.30
Delta Effect of -1% Change in Rate of Employee Turnover	-0.53%	6.30	-0.48%	4.26

Note:

1. Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

2. Salary escalation & attrition rate are considered as advised by the Company; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.

3. Maturity Analysis of Projected Benefit Obligation is done considering future salary, attrition & death in respective year for members as mentioned above.

4. Risk Factors:

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Mortality risk:

If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death

benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Employee Turnover:

If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter valuation period.

Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the Company there can be strain on the cashflows.

Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

14. Deferred Tax (Liabilities)/Assets (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Liability:		
Depreciation	-	-
Preliminary Expenses	(0.01)	(0.02)
Deferred Tax Asset:		
Depreciation	3.03	1.12
Provision for Gratuity	1.59	1.19
Share Issue Expenses	25.17	-
Deferred Tax (Liabilities)/Assets (Net)	29.78	2.30

15. Other Non-Current Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposit from Customer(*)	37.48	22.41
Total	37.48	22.41

(*) Security Deposit from Customers for performance of contract of supply of goods.

16. Current Financial Liabilities - Borrowings

The borrowings are analysed as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Loans Repayable on Demand:		
Cash Credit from Bank	0.00	72.59
Bank Overdraft	183.95	-
Current Maturities of Term Loan:		
Term loans	5.07	43.53
Total	189.03	116.12
The above amount includes:		
Secured Borrowings	189.03	116.12
Unsecured Borrowings	-	-

(i) Securities:**1) Cash Credit from Bankers:**

Working Capital loan(Bank CC) is secured against hypothecation of Inventories, book debts and collaterally secured by equitable mortgage of factory, Office, Land and Building.

2) Bank Overdraft from Bankers:

Bank Overdraft (Bank OD) is secured against Bank FD.

(ii) Interest Rate:

Cash Credit* Interest Rate is 7.80%P.A. to 10.05%[Interest rates were 8.80%P.A. to 7.80%P.A. in 2021-22.]

Bank Overdraft* Interest Rate is 7.50%P.A.

(iii) Quarterly returns/stock statements filed by the Company with its bankers are in agreement with books of account.

17. Current Financial Liabilities - Trade Payables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Payables:		
Micro and Small Enterprise	-	-
Others	552.82	913.70
Total	552.82	913.70

(i) The above information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

(ii) The balances of the trade payables are subject to confirmation and consequent reconciliation, if any.

Disclosure In accordance with Section 22 of The Micro Small and Medium Enterprises Development Act, 2006.

Particulars	As at March 31, 2023	As at March 31, 2022
(i) The principal amount and the interest due thereon remaining unpaid to any micro and small enterprises as at the end of each accounting year		
Principal amount due	-	-
Interest due on the above	-	-
(ii) The amount of interest paid in terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year		
Principal amount paid beyond appointed day	-	-
Interest paid thereon	-	-
(iii) The amount of interest due and payable for the period of delay in making payment but without adding the interest under MSME Act where payment has been made beyond appointed day during the year.	-	-
(iv) The amount of interest accrued and remaining un-paid at the end of the accounting year	-	-

(iii) Trade Payable Ageing Schedule**Trade Payable ageing as at March 31, 2023**

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
MSME	-	-	-	-	-
Other	552.82	-	-	-	552.82
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	552.82	-	-	-	552.82

Trade Payable ageing as at March 31, 2022

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
MSME	-	-	-	-	-
Other	913.27	0.43	-	0.00	913.70
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	913.27	0.43	-	0.00	913.70

18. Other Current Financial Liabilities

Particulars	As at March 31, 2023		As at March 31, 2022	
- Related Party	0.80	-	0.67	-
- Others	0.02	0.82	-	0.67
Total		0.82		0.67

19. Other Current Liabilities

Particulars	As at March 31, 2023		As at March 31, 2022	
Customer Advances/Deposits		38.60		28.16
Duty & Taxes Payable		4.66		3.41
Total		43.26		31.58

20. Current Tax Liabilities

Particulars	As at March 31, 2023		As at March 31, 2022	
Provision for taxation (net of taxes paid)		6.03		4.35
Total		6.03		4.35

21. Revenue from Operations**(a)**

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
Revenue from Operations				
Products	-	5,301.00	-	3,917.69
Other Operating Revenue:				
Discount	21.35		17.09	
MEIS License	8.26		2.48	
Export incentives	3.51		4.82	
Other Income	1.39	34.51	-	24.39
Total		5,335.51		3,942.08

(b) Disclosure in accordance with Ind-AS - 115 "Revenue recognition disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

Revenue disaggregation based on:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
a) Category of Revenue				
Sale of Product		5,295.56		3,913.21
Sale of Services		5.43		4.48
Total		5,301.00		3,917.69
b) Geographical region				
India		5,001.03		3,529.32
International		299.97		388.37
Total		5,301.00		3,917.69

22. Other Income

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
Interest Income		27.93		0.70
Miscellaneous Income		16.85		7.89
Exchange Gain		-		11.02
Profit on Sale of Asset		0.26		1.18
Profit on Sale of Mutual Fund		0.04		-
Total		45.08		20.80

23. Cost of Materials Consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Stock	292.01	225.09
Add: Purchases (Net of Discount)	4,421.10	3,273.61
Less: Closing Stock	236.99	292.01
Total	4,476.12	3,206.69

24. Changes in Inventories

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Finished Goods		
Opening Finished Goods	167.24	88.38
Less: Closing Finished Goods	(286.63)	(167.24)
Work-in-Progress		
Opening WIP	169.35	118.35
Less: Closing WIP	(204.93)	(169.35)
Stock-in-Trade		
Opening traded Goods	0.17	3.94
Less: Closing	(0.03)	(0.17)
Total	(154.82)	(126.11)

25. Manufacturing & Operating Costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumable and Hardware	1.55	1.32
Power and Fuel	14.90	13.59
Inward Transportation	12.10	9.05
Job work Expenses	4.39	0.51
Lab Chemical & Other	0.17	0.24
Labour Charges	18.58	25.05
Safety Expenses	1.22	1.13
Designs Expenses	0.92	0.66
Packing and consumable	2.72	2.21
Other Manufacturing Expenses	1.87	2.87
Total	58.44	56.65

26. Employee Benefits

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, Bonus, Perquisites etc.	168.88	117.56
Director Remuneration	7.75	9.70
Contribution to provident and other funds	5.27	2.98
Gratuity	2.32	1.63
Staff Welfare Expenses	4.45	4.01
Employee Benefit Other	1.79	0.73
Total	190.46	136.60

27. Finance Cost

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Expense	21.79	23.87
Interest on taxes	0.01	0.02
Bank Guarantee Commission	0.06	-

Processing Fees	0.32	1.01
Others	1.13	1.25
Total	23.32	26.15

28. Depreciation & Amortisation

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation & Amortisation	50.81	52.71
Total	50.81	52.71

29. Other Expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash and Quantity Discount	61.42	58.19
Sales Rate Difference	-	2.69
Sales Promotion	36.62	12.45
Freight and Transportation	46.65	45.90
Service & Commission C&F Charge	5.20	3.64
Loading and unloading Charges	3.04	2.17
Exchange Loss	7.20	-
Rates & Taxes	0.36	1.43
Fees & Consultations	6.46	8.67
Commission	3.09	12.15
Legal Expenses	1.57	1.26
Repairs and Maintenance:		
Plant & Machinery	2.37	3.99
Land and Building	0.31	0.03
Others	1.80	2.28
Advertisement	10.46	10.42
Rent	6.64	4.21
Insurance	8.82	6.59
Travelling Expenses	67.79	28.35
Power & Fuel	0.68	0.53
License Fees	0.75	0.71
Security Charges	1.57	1.30
Telephone	1.15	0.79
Office Expenses	1.01	1.22
Courier and Postage	0.89	0.73
Printing and Stationery	1.63	0.86
Conveyance	0.05	0.08
Remuneration to Auditors	0.45	0.45
Recruitment Expenses	0.54	0.05
Miscellaneous Expenses	4.27	1.86
Preliminary Expenses	0.62	0.68
Gift Expenses	2.29	1.42
Corporate Social Responsibility	5.44	3.35
Stamp Duty	0.22	0.80
Directors Sitting Fees	0.06	0.06
Loss on Financial Instruments measured at fair value through profit or loss	0.12	-
Total	291.54	219.34

(b) Remuneration to Statutory Auditors *

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Statutory Audit Fees	0.35	0.30
Income tax Audit	0.05	0.05
Other Services	0.05	0.10
Total	0.45	0.45

* Net of ₹ 0.30 Millions incurred during the year ended March 31, 2023 toward IPO

30. Tax Expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income tax expense in the statement of profit and loss consists of:		
Current Tax	115.93	101.09
Adjustment of Tax Relating to Earlier Years	(0.04)	0.01
Deferred tax	(2.27)	(2.69)
Income tax recognised in statement of profit or loss	113.62	98.41

The reconciliation between the provision of income tax of the Company and amount computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

A. Current Tax

Particulars	March 31, 2023	March 31, 2022
Accounting profit before income tax	444.72	385.31
Enacted tax rates in India (%)	25.17%	25.17%
Computed expected tax expenses	111.93	96.97
Effect of non - deductible expenses	14.80	14.74
Effects of deductible Expenses	(10.88)	(11.07)
Effect on deferred tax due to timing difference	(2.27)	(2.69)
Other	0.04	0.46
Tax at Normal Rates.....A	113.62	98.41
Minimum Alternate Tax		
Enacted tax rates in India (%)	NA	NA
Tax under 115JBB	-	-
Higher of A and B	113.62	98.41
Effective Tax Rate	25.55%	25.54%

B. Deferred Tax

Particulars	Opening as at April 1, 2022	Recognised in profit and loss	Recognised in OCI	Recognised in Equity	Closing as at March 31, 2023
Property, Plant and Equipment	1.12	1.91	-	-	3.03
Preliminary Expenses	(0.02)	0.00	-	-	(0.01)
Provision for Gratuity	1.19	0.36	0.04	-	1.59
Share Issue Expenses	-	-	-	25.17	25.17
Total	2.30	2.27	0.04	25.17	29.78

Particulars	Opening as at April 1, 2021	Recognised in profit and loss	Recognised in OCI	Recognised in Equity	Closing as at March 31, 2022
Property, Plant and Equipment	(1.18)	2.30	-	-	1.12
Preliminary Expenses	(0.01)	(0.00)	-	-	(0.02)
Provision for Gratuity	0.96	0.39	(0.17)	-	1.19
Share Issue Expenses	-	-	-	-	-
Total	(0.23)	2.69	(0.17)	-	2.30

31. Earning Per Share**Earnings Per Share (EPS) = Net Profit attributable to Shareholders/Weighted Number of Shares Outstanding**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit attributable to the Equity Share holders	331	287
O/s number of Equity Shares at the end of the year	3,37,97,296	2,46,83,372
Weighted Number of Shares during the period – Basic	2,75,29,912	2,46,83,372
Weighted Number of Shares during the period – Diluted	2,75,29,912	2,46,83,372
Earning Per Share – Basic (Amount in INR)	12.03	11.62
Earning Per Share – Diluted (Amount in INR)	12.03	11.62
Adjusted Earning Per Share – Basic (Amount in INR)	-	-
Adjusted Earning Per Share – Diluted (Amount in INR)	-	-

Reconciliation of weighted number of outstanding during the year:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Nominal Value of Equity Shares (Rupee Per Share)	10	10
For Basic EPS:		
Number of Equity Shares at the beginning	2,46,83,372	1,64,55,581
Add: Issue of shares	91,13,924	82,27,791
Outstanding Equity shares at the year end	3,37,97,296	2,46,83,372
No. of Equity Shares considered for EPS Calculation	2,75,29,912	2,46,83,372
Weighted Avg of Equity Shares considered for EPS	2,75,29,912	2,46,83,372
For Dilutive EPS:		
Weighted Avg no. of shares in calculating Basic EPS	2,75,29,912	2,46,83,372
Add: Dilutive Shares to be issued	-	-
Weighted Avg no. of shares in calculating Dilutive EPS	2,75,29,912	2,46,83,372

32. Commitments and Contingent Liabilities**(a) Commitments**

Particulars	As at March 31, 2023	As at March 31, 2022
Capital expenditure commitments	496.09	16.52

(b) Contingent Liabilities:

Particulars	As at March 31, 2023	As at March 31, 2022
Claims against the Company not acknowledged as debt for Infringement of Patent	20.20	20.20
Outstanding Bank Guarantee	-	5.00

The Company's pending litigations comprise mainly claims against the Company, The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements.

33. CSR Expenditure

a) CSR amount required to be spent by the companies as per section 135 of the Companies Act, 2013 read with Schedule VII thereof during the year as below:

Particulars	As at March 31, 2023	As at March 31, 2022
CSR amount required to be spent	5.41	3.33
Unspent amount	-	-

b) Expenditure related to Corporate Social Responsibility

Particulars	As at March 31, 2023	As at March 31, 2022
Education, Wellness of Backward communities and Other Related activity	5.44	3.35

c) Out of note (b) above, ₹ 27,18,000 (₹ 33,52,000 in FY 2021-22) contributed to Dharmaj Foundation which is related party.

34. Segment Reporting as per IND AS108 "Operating Segments"

The Company is engaged mainly in "Manufacturing in pesticides, insecticides, herbicide and Fertilizer" segment. The Company also primarily operates under one geographical segment namely India.

35. Payment of Dividend to Shareholder

Shareholder Name	2022-23	2021-22
Rameshbhai Ravajibhai Talavia	0.90	0.60
Jamanbhai Hansarajbhai Talavia	0.83	0.55
Vishalbhai Haribhai Domadiya	0.13	0.09
Jagdishbhai Savaliya	0.05	0.03
Manjulaben Rameshbhai Talavia	0.27	0.18
Muktaben Jamanbhai Talavia	0.25	0.17
Artiben Domadia	0.02	0.01
Ilaben Savaliya	0.003	0.002
Prafullaben Savaliya	0.02	0.02

36. Disclosure of transactions with Related Parties, as required by Indian Accounting Standard (Ind AS) - 24 "Related Party Disclosures"

(A) List of Related Parties**(a) Key Management personnel and their relatives**

- Rameshbhai Ravajibhai Talavia (Managing Director)
- Jamankumar Hansarajbhai Talavia (Wholetime Director)
- Vishal Domadia (Chief Financial Officer) (Resigned on 05/01/2023)
- Vishal Domadia (Chief Executive Officer) (Designated on 06/01/2023)
- Jagdishbhai Ravajibhai Savaliya (Wholetime Director)
- Vinay Joshi (Chief Financial Officer) (Joined on 06/01/2023)
- Manjulaben Rameshbhai Talavia (Relative of Director's)
- Muktaben Jamankumar Talavia (Relative of Director's)
- Maheshkumar Babulal Joshi (Independent Director) *(Resigned on 21/10/2021)

10) Deepak Bachubhai Kanparia (Independent Director)

11) Priyanka Choubey (Company Secretary) *(Resigned on 18/10/2021)

12) Malvika Bhadresh Kapasi (Company Secretary) *(Joined on 19/10/2021)

13) Domadia Artiben (Relative of KMP)

14) Ilaben Jagdishbhai Savaliya (Relative of Director's)

15) Prafullaben Shantilal Savaliya (Relative of Director's)

16) Bhaveshkumar Jayantibhai Ponkiya (Independent Director) *(Joined on 18/11/2021)

17) Amisha Fenil Shah (Independent Director) *(Joined on 27/11/2021)

(b) Enterprise over which key management personnel/ their relatives have significant influences

- Dharmaj Foundation

(c) Entity having Significant Influence

- Khetipoint Private Limited

(B) Transactions during the period:

Nature of Transactions	2022-23	2021-22
a) Key Managerial Person		
Remuneration Expenses:		
Rameshbhai Ravajibhai Talavia	4.49	3.15
Jamankumar Hansarajbhai Talavia	3.97	2.92
Vishal Domadia	3.15	2.26
Jagdishbhai Ravajibhai Savaliya	2.39	1.89
Vinay Joshi	0.71	-
Priyanka Choubey	-	0.20
Malvika Bhadreshbhai Kapasi	0.46	0.19

Interest Expenses:		
Rameshbhai Ravajibhai Talavia	0.65	1.38
Jamankumar Hansarajbhai Talavia	0.45	0.87
Vishal Domadia	0.18	0.58
Jagdishbhai Ravjibhai Savaliya	0.17	0.48
Manjulaben Rameshbhai Talavia	0.46	1.00
Muktaben Jamankumar Talavia	0.20	0.50
Dividend Expenses:		
Rameshbhai Ravajibhai Talavia	0.90	0.60
Jamankumar Hansarajbhai Talavia	0.83	0.55
Vishal Domadia	0.13	0.09
Jagdishbhai Ravjibhai Savaliya	0.05	0.03
Manjulaben Rameshbhai Talavia	0.27	0.18
Muktaben Jamankumar Talavia	0.25	0.17
Domadia Artiben	0.02	0.01
Illaben Jagdishbhai Savaliya	0.003	0.002
Prafullaben Shantilal Savaliya	0.02	0.02
Sitting Fees:		
Deepak Bachubhai Kanparia	0.02	0.03
Maheshkumar Balubhai Joshi	-	0.02
Bhaveshkumar Jayantibhai Ponkiya	0.02	0.01
Amisha Fenil Shah	0.02	0.01
Loan Taken:		
Rameshbhai Ravajibhai Talavia	0.58	18.44
Jamankumar Hansarajbhai Talavia	0.60	13.22
Vishal Domadia	-	0.80
Jagdishbhai Ravjibhai Savaliya	0.40	-
Manjulaben Rameshbhai Talavia	1.20	13.55
Muktaben Jamankumar Talavia	-	3.70
Loan Repaid:		
Rameshbhai Ravajibhai Talavia	1.19	0.43
Jamankumar Hansarajbhai Talavia	1.48	0.59
Vishal Domadia	2.08	2.18
Jagdishbhai Ravjibhai Savaliya	0.88	0.15
Manjulaben Rameshbhai Talavia	2.24	0.31
Muktaben Jamankumar Talavia	0.15	0.05
Remuneration/Reimbursement of expenses Payable:		
Rameshbhai Ravajibhai Talavia	0.26	0.17
Jamankumar Hansarajbhai Talavia	0.33	0.20
Vishal Domadia	0.23	0.17
Jagdishbhai Ravjibhai Savaliya	0.18	0.13
Vinay Joshi	0.17	-
Priyanka Choubey	-	-
Malvika Bhadreshbhai Kapasi	0.04	0.03
Loan Outstanding:		
Rameshbhai Ravajibhai Talavia	24.32	24.28
Jamankumar Hansarajbhai Talavia	15.89	16.32

Vishal Domadia	4.93	6.83
Jagdishbhai Ravjibhai Savaliya	5.93	6.23
Manjulaben Rameshbhai Talavia	16.73	17.32
Muktaben Jamankumar Talavia	7.43	7.38
b) Enterprise over which key management personnel/their relatives have significant influences		
Donation:		
Dharmaj Foundation	2.72	3.35
c) Entity having Significant Influence		
Investment:		
Khetipoint Private Limited	-	4.89

37. Derivative Instruments and Unhedged/Hedge/Swap Foreign Currency (FC) Exposure

Particulars	Currency	As at March 31, 2023	As at March 31, 2022
Details on unhedged foreign currency exposures			
Trade Receivable	USD (in Millions)	-	-
Details on hedged foreign currency exposures			
Trade Receivable	USD (in Millions)	0.63	0.84

38. Financial Instruments

A. Calculation of Fair value

The fair value of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions are used to estimate the fair values of financial instruments:

- The fair value of the long-term borrowing carrying floating-rate of interest is not impacted due to interest rate charges and will not be significantly different from their carrying amount as there is no significant change in the under-lying credit risk of the group.
- The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, book overdrafts and other current financial assets and liabilities approximate their carrying amount largely due to the short-term maturities of these instrument.

B. The carrying value and fair value of financial instruments by categories is as follows:

Particulars	Carrying amount		Fair value	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial assets at amortized cost:				
Trade receivables	740.80	859.82	740.80	859.82
Loans and advances	25.88	0.76	25.88	0.76
Other Financial Asset	1,259.41	11.41	1,259.41	11.41
Cash and bank balances	4.23	9.52	4.23	9.52
Financial assets at FVTPL:				
Investment	4.77	4.89	4.77	4.89
Total Financial Assets	2,035.09	886.41	2,035.09	886.41
Financial liabilities at amortized cost:				
Borrowings	524.16	369.28	524.16	369.28
Trade payables	552.82	913.70	552.82	913.70
Other financial liabilities	0.82	0.67	0.82	0.67
Total Financial Liability	1,077.80	1,283.65	1,077.80	1,283.65

C. Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

i) Recognised and measure at fair value:

Recognised and measurement of Financial Instrument is as per Note-38 (B)

ii) Measure at amortized cost for which fair value is disclosed:

The Company has determined fair value of all its financial instruments (except Investment) measured at amortized cost by using Level 3 inputs and Investment at FVTPL using Level 3 inputs.

iii) The following methods and assumptions were used to estimate the fair values:

- 1) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, and individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.
- 2) The fair value of loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates

ii) Foreign currency risk

Foreign currency risk also known as Exchange Currency Risk is the risk arising out of fluctuation in the fair value or future cash flows of an exposure because of changes in foreign exchange rates. Foreign currency risk in the Company is attributable to Company's operating activities and financing activities. In the operating activities, the Company's exchange rate risk primarily arises when revenue/costs are generated in a currency that is different from the reporting currency (transaction risk). The Company manages the exposure based on a duly approved policy by the Board, which is reviewed by Board of Directors on periodic basis. This foreign currency risk exposure of the Company is mainly in U.S. Dollar (USD).

Foreign currency exposure		As at March 31, 2023		As at March 31, 2022	
		FC* (In Millions)	₹ (In Millions)	FC* (In Millions)	₹ (In Millions)
Bank Balance	USD	0.0003	0.0268	0.0018	0.1348
Bank Balance	AED	0.0008	0.0168	0.0008	0.0156
Trade Receivable	USD	0.63	51.99	0.84	63.83

* FC = Foreign currency

Refer Note: 37 for hedge and Unhedged towards foreign currency exposures.

currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use unobservable inputs in the model. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

39. Financial Risk Management Financial Risk Management Objectives And Policies

The Company is exposed to various financial risks arising from its underlying operations and financial activities. The Company is primarily exposed to market risk (i.e. interest rate and foreign currency risk), credit risk and liquidity risk. The Company's Corporate Treasury function plays the role of monitoring financial risk arising from business operations and financing activities.

Financial risk management, which includes foreign currency risk, interest rate risk, credit and liquidity risk are very closely monitored by the senior management and the Board of Directors. The Company's policies and guidelines also cover areas such as cash management, investment of excess funds and the raising of short and long term debt. Compliance with the policies and guidelines is managed by the senior management and directors. The objective of financial risk management is to manage and control financial risk exposures within acceptable parameters, while optimising the return.

The Company manages its market risk exposures by using specific type of financial instruments duly approved by the Board of Directors as and when deemed appropriate. The Company reviews and approves policies for managing each of the above risk.

i) Business/Market Risk

Market risk is the risk arising out of the fluctuations in fair value of future cash flows of a financial instrument because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes loans and borrowings, deposits, investments and derivative financial instruments. The Company enters into the derivative contracts as approved by the Board to manage its exposure to interest rate risk and foreign currency risk, from time to time.

Foreign currency sensitivity

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax.

Increase/(decrease) in profit or loss	2022-23		2021-22	
	1%Increase	1%decrease	1%Increase	1%decrease
INR	0.52	(0.52)	0.64	(0.64)

The Company's exposure in foreign currency is not material and hence the impact of any significant fluctuation in the exchange rates is not expected to have a material impact on the operating profits of the Company.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in inactive markets or inputs that are directly or indirectly observable in the market place.

iii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables are typically unsecured and are derived from revenue earned from customer. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of the Company customers' financial condition; ageing of trade accounts receivable and the Company's historical loss experience.

Credit risk from balances with banks and financial institutions is managed by the Company's Corporate Treasury function in accordance with the Company's policy. Investments of surplus funds are made only with counter parties who meet the parameters specified in Investment Policy of the Company. The investment policy is reviewed by the Company's Board of Directors on periodic basis and if required, the same may be updated during the year. The investment policy specifies the limits of investment in various categories of products so as to minimize the concentration of risks and therefore mitigate financial loss due to counter party's potential failure.

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables (Note: 4)	740.80	859.82

Other than financial assets mentioned above, none of the Company's financial assets are either impaired or past due. There were no indications that there would be defaults in payment obligations.

iv) Interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Companies profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/Decrease in basis points	Effects on Profit before tax
March 31, 2023	Plus 100 basis point	5.24
	Minus 100 basis points	(5.24)
March 31, 2022	Plus 100 basis point	3.69
	Minus 100 basis points	(3.69)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

v) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the years ended March 31, 2023 and March 31, 2022. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable liquid debt investments with appropriate maturities to optimise the returns on investments while ensuring sufficient liquidity to meet its liabilities.

Maturity profile of financial liabilities

The table below analyse the Company's financial liabilities into relevant maturity based on their contractual maturities

As at March 31, 2023	Less than 1 year	1 to 5 years	More than 5 years	Total
Long term Borrowing	5.07	120.11	215.03	340.21
Short term borrowings	183.95	-	-	183.95
Trade payables	552.82	-	-	552.82
Other financial liabilities	0.82	-	-	0.82
Total	742.66	120.11	215.03	1,077.80

As at March 31, 2022	Less than 1 year	1 to 5 years	More than 5 years	Total
Long term Borrowing	43.53	123.76	129.40	296.69
Short term borrowings	72.59	-	-	72.59
Trade payables	913.70	-	-	913.70
Other financial liabilities	0.67	-	-	0.67
Total	1,030.49	123.76	129.40	1,283.65

40. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Particulars	As at March 31, 2023	As at March 31, 2022
Gross Debt	524.16	369.28
Less: Cash and Cash Equivalent	4.23	9.52
Net debt (A)	519.94	359.76
Total Equity (B)	3,214.29	849.18
Gearing ratio (A/B)	0.16	0.42

41. Additional Regulatory Information (as per the Schedule III requirements)

i) Title deeds of Immovable Properties not held in name of the Company

No such assets held by the Company as on period end March 31, 2023, and March 31, 2022.

ii) Loans or Advances in the nature of loans granted to promoters, directors, KMPs and the related parties

There is no Loans or advances granted to the Promoters, directors, KMP and the relative of their during the period ended March 2023, and March 2022.

iii) Details of Benami Property held

No such assets held by the Company as on period end March 31, 2023, and March 31, 2022.

iv) Registration of charges with Registrar of Companies

Company has register all it's charges within time or extended time period given in the companies act, 2013.

v) Utilisation of Borrowed funds and share premium

A) The Company have 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:

- (1) 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
- (2) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B) The Company have 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:

(1) 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

(2) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vi) Relationship with Struck off Companies

The Company does not have any transactions with struck off companies.

vii) Wilful Defaulter

The Company is not declared as wilful defaulter by any bank or financial Institution or other lender.

viii) Compliance with approved Scheme(s) of Arrangements

There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

ix) Ratios**(a) Current Ratio = Current Assets divided by Current Liability**

Particulars	2022-23	2021-22
Current Ratio (Times)	3.62	1.44
Current Assets	2,871.33	1,537.95
Current Liability	792.48	1,066.62
% Change from previous period/year	151.28%	

Reasons for variance: Due to unutilized IPO proceeds held as fixed deposit having maturity of less than 12 months as at 31.03.2023.

(b) Debt Equity ratio = Debt divided by Shareholder's equity where debt refers to sum of current & non current borrowings

Particulars	2022-23	2021-22
Debt Equity Ratio (Times)	0.16	0.43
Debts	524.16	369.28
Shareholder's equity	3,214.29	849.18
% Change from previous period/year	-62.50%	

Reasons for variance: Due to repayments of Short term and long term borrowings and also increase in equity & securities premium amount on account of IPO.

(c) Debt Service Coverage Ratio (DSCR) = Earnings available for debt services divided by Total interest and principal repayments

Particulars	2022-23	2021-22
Debt Service Coverage (In times)	2.05	7.31
(Net Profit + Depreciation + Interest on long term loans)	505.06	448.29
Total amount of interest & principal of long term loan payable or paid during the year	246.77	61.36
% Change from previous period/year	-71.99%	

Reasons for variance: Due to increase in principal repayments from the proceeds of IPO & internal accruals.

(d) Return on Equity Ratio = Net profit after tax divided by Shareholder's Equity less Misc. Expenses

Particulars	2022-23	2021-22
Return on Equity Ratio (%)	10.31%	34.64%
PAT	331.10	286.90
Shareholder's Equity less Misc. Expenses	3,212.20	828.15
% Change from previous period/year	-70.25%	-

Reasons for variance: Increase in share capital and securities premium on account of IPO.

(e) Inventory Turnover Ratio = Cost of goods sold divided by Average Inventory

Particulars	2022-23	2021-22
Inventory turnover ratio (In times)	10.57	11.48
COGS	4,379.74	3,142.77
Average Inventory	414.18	273.72
% Change from previous period/year	-7.90%	-

(f) Trade receivables turnover ratio = Net Credit Sales divided by Average Trade Receivables

Particulars	2022-23	2021-22
Trade Receivables turnover ratio (In times)	5.77	5.20
Net Credit Sales	4,614.12	3,175.34
Average Trade Receivable	800.31	610.82
% Change from previous period/year	10.91%	-

(g) Trade payables turnover ratio = Net Credit purchase divided by Average Trade payables

Particulars	2022-23	2021-22
Trade payables turnover ratio (In times)	4.70	3.69
Net Credit Purchase	3,448.00	2,404.57
Average Trade Payable	733.26	652.48
% Change from previous period/year	27.60%	-

Reasons for variance: Payment to creditors improved due to upfront payment for procurement of raw materials for pricing benefits.

(h) Net capital Turnover Ratio = Revenue from Operations divided by Net Assets whereas net assets = Net PPE + current assets - current liabilities

Particulars	2022-23	2021-22
Net capital turnover ratio (in times)	1.55	3.76
Revenue from Operations	5,335.51	3,942.08
Net Assets (Net PPE+Net Current Assets)	3,440.92	1,048.42
% Change from previous period/year	-58.76%	-

Reasons for variance: Due to cash proceeds from IPO.

(i) Net profit ratio = Net profit after tax divided by Revenue from operations

Particulars	2022-23	2021-22
Net profit ratio (In %)	6.21%	7.28%
PAT	331.10	286.90
Revenue from Operations	5,335.51	3,942.08
% Change from previous period/year	-14.73%	-

(j) Return on Capital employed = Earning before interest & tax divided by Total assets less current liability excluding short term borrowings

Particulars	2022-23	2021-22
Return on Capital employed	12.34%	32.87%
EBIT	466.51	409.18
Total Assets - Current Liability excluding short term borrowings	3,781.72	1,244.96
% Change from previous period/year	-62.47%	-

Reasons for variance: Increase in share capital and securities premium on account of IPO

(k) Return on investment = Net Income on Investment divided by Net Investment

Particulars	2022-23	2021-22
Return on investment	0.00%	0.00%
Net Income on Investment	0	0
Net Investment	4.77	4.89
% Change from previous period/year	0.00%	-

42. Significant Accounting Judgements, Estimates And Assumptions

The financial statements require management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. 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.

(* Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amount recognised in the separate financial statements.

(* Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(* Defined benefit plans (gratuity benefits)

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 for plans operated in India, the management considers the interest

rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. For plans operated outside India, the management considers the interest rates of high quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

(* Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

43. The Balance Sheet, Statement of Profit and Loss, Cash flow statement, Statement of Changes in Equity, Statement of Significant Accounting Policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2023, and March 31, 2022.

44. Issue of Shares**Issue of Equity shares through IPO:**

The Company has completed Initial Public Offer of 1,05,96,924 Equity Shares of the face value of ₹ 10 each at an issue price of ₹ 237 per Equity Share, comprising offer for sale of 14,83,000 shares by selling shareholders aggregating to ₹ 351.47 Millions and fresh issue of 91,13,924 shares aggregating to ₹ 2159.45 Millions. The Equity Shares of the Company were listed on December 8, 2022 on BSE Limited and the National Stock Exchange of India Limited.

IPO Expenses

The total IPO Expenses incurred ₹ 171.27 Millions (Excludes goods and services tax) have been proportionately allocated between the selling shareholders and the Company. The Company's share of expenses (net of taxes of ₹ 25.168 Millions) of ₹ 122.94 Millions has been adjusted against securities premium account.

Utilisation of proceeds from IPO

The details of utilization of proceeds from IPO (net of Offer Expenses) are as follows:

Particulars	Total Amount	Utilized up to March 31, 2023	Un-utilized up to March 31, 2022
Capital expenditure towards setting up of a manufacturing facility at Saykha Bharuch, Gujarat	1,049.69	120.17	929.52
Working capital requirements	450.00	194.50	255.50
Repayment or pre-payment borrowings	100.00	100.00	-
General corporate purposes	414.70	384.20	30.50
	2,014.39	798.87	1,215.52

Unutilised IPO Proceeds as at March 31, 2023 are available as fixed deposit with banks and with escrow account.

For **KARMA & Co LLP**
Chartered Accountants
FRN.: 127544W/W100376

For and on behalf of the Board of Directors
DHARMAJ CROP GUARD LIMITED
CIN: L24100GJ2015PLC081941

CA Jignesh A. Dhaduk
Partner
M.No.: 129149
UDIN: 23129149BGVKVL1320

Rameshbhai Ravajibhai Talavia
Chairman & Managing Director
DIN: 01619743

Jamanbhai Hansarajbhai Talavia
Director
DIN: 01525356

Vishal Domadia
Chief Executive Officer

Vinay Joshi
Chief Financial Officer

Place: Ahmedabad
Dated: May 15, 2023

Malvika Bhadreshbhai Kapasi
Company Secretary
A52602

Notice

NOTICE is hereby given that the 9th Annual General Meeting of the members will be held on Monday, **September 4, 2023 at 11.30 AM** through Video Conferencing/Other Audio-Visual Means ("VC facility") to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors along with annexures thereon.
2. To consider appointment of Mr. Jagdish R Savaliya (DIN: 06481920), who retires by rotation as a Director and being eligible offers himself for reappointment.
3. To appoint M/s. MSKA & Associates, Chartered Accountants, Ahmedabad as the Statutory Auditors of the Company.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of the section 139(8) of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), appointment of M/s. MSKA and Associates, Chartered Accountants (Membership Number: 105047W), Ahmedabad, who were appointed by the Board of Directors as the Statutory Auditors of the Company w.e.f. 27th June, 2023 till the conclusion of this Annual General Meeting of the Company, to fill the casual vacancy caused by the resignation of M/s. Karma and Co. LLP, Chartered Accountants (Firm Reg. No. 127544W/W100376), Ahmedabad the Statutory auditors of the Company be and is hereby approved at such remuneration as may be decided by any Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment or enactment thereof, for the time being in force), and pursuant to the recommendation of the Audit Committee of the Board, M/s. MSKA & Associates, Chartered Accountants, Ahmedabad (Firm Registration No.: 105047W) be and are hereby appointed as the Statutory Auditor of the Company, for a term of five consecutive years to hold the office from the conclusion of this 09th Annual General Meeting till the conclusion of the 14th Annual General Meeting of the Company at such remuneration as mentioned in the explanatory statement in addition to out of pocket expenses as may be incurred by them during the course of audit.

SPECIAL BUSINESS: -

4. **Ratification of remuneration payable to Cost auditors of the company for FY 2023-24**
To consider and if thought fit to pass the following resolution with or without modification as an Ordinary Resolution: -

"RESOLVED THAT in accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule

14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, the consent of the members be and is hereby accorded to ratify the remuneration of ₹ 53,000/- plus Goods & Services Tax & re-imburement of out-of-pocket expenses as decided by the Board of Directors based on the recommendation of the Audit Committee to M/s. Dalwadi & Associates, Cost Accountants, Ahmedabad (having Firm's Registration No. 000338) as Cost Auditor of the Company, for conducting the audit of the cost records of the Company for the Financial Year 2023-2024.

RESOLVED FURTHER THAT the Board of Directors or the Company Secretary of the Company, be and are hereby authorized for and on behalf of the Company to take all necessary actions to give effect to aforesaid resolution."

5. **Approval of charges for service of documents on the shareholders**

To consider, and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 20 of the Companies Act 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any shareholder by the Company by sending it to him by post or by registered post or by speed post or by courier or by electronic or other mode as may be prescribed, the consent of the shareholders be and is hereby accorded to charge from the member in advance, a sum equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the Company and that no such request shall be entertained by the Company post the dispatch of such document by the Company to the shareholder.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any director or the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance."

For and on behalf of the Board
Dharmaj Crop Guard Limited

Rameshbhai R Talavia
Chairman & Managing Director
DIN: 01619743

Place: Ahmedabad
Dated: July 11, 2023

Notes

- The Ministry of Corporate Affairs, Government of India ("MCA") vide its General Circular Nos. 20/2020 and 10/2022 dated 5th May 2020 and 28th December 2022, respectively, and other circulars issued in this respect ("MCA Circulars") has allowed, inter-alia, conduct of AGMs through Video Conferencing/Other Audio-Visual Means ("VC/OAVM") facility on or before 30th September, 2023, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Accordingly, in compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC/OAVM, without the physical presence of the members at a common venue.
- Statement pursuant to provisions of Section 102 of the Companies Act, 2013 is annexed hereto.
- A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date i.e. 28th August, 2023 only shall be entitled to avail the facility of remote e-voting or e-voting at the Meeting.
- Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares.
- Since this AGM is being held pursuant to the 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 the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
- In line with the Circulars, the Annual Report for the Financial Year 2022-23 including Notice of the 09th AGM of the Company, inter alia, indicating the process and manner of e-voting is being sent by Email, to all the Members whose Email IDs are registered with the Company/Registrar and Share Transfer Agent or with the respective Depository Participant(s) for communication purposes to the Members and to all other persons so entitled and the same will also be available on the website of the Company at www.dharmajcrop.com and can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of Link Intime India Private Limited ("LIPL") at <https://instavote.linkintime.co.in>.
- Institutional/Corporate Members (i.e. other than individuals/HUF, NRI etc.) are required to send a duly certified scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting, pursuant to Section 113 of the Act. The said Resolution/Authorisation shall be sent to the Scrutiniser by email through its registered email address to info@parikh-dave.com with a copy marked to instameet@linkintime.co.in and cs@dharmajcrop.com. Such Corporate Members are requested to refer 'General Guidelines for Members provided in this notice, for more information.
- In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
- The SEBI has mandated the submission of the Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s).
- Those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated with their DP to enable servicing of notices/documents/Reports and other communications electronically to their e-mail address in future.
- Members who wish to obtain any information on the Company or view the Financial Statements for the Financial Year ended 31st March, 2023 can send their queries at cs@dharmajcrop.com at least 7 (Seven) days before the date of 9th AGM. The same will be replied by/on behalf of the Company suitably.
- Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- SEBI vide its circular dated 30th May, 2022, has provided SOP effective from 1st June, 2022, for resolving disputes between the Company and its all shareholders through the stock exchange arbitration mechanism. In furtherance to this, SEBI directed listed companies to inform its physical shareholders availability of said dispute resolution mechanism through emails or SMS on their mobile. Company has accordingly informed to its physical shareholders whose email ID or mobile no. registered with the company regarding availability of said dispute resolution mechanism. Investor may note that the said SOP is available on the website of the stock exchange and the Company.
- The Register maintained under Section 170 and Section 189 of the Act will be available electronically for inspection by the members during the AGM.
- Further, all the documents referred to in the Notice will also be available for electronic inspection by the members from the date of circulation of this Notice up to the date of AGM,

i.e 04th September, 2023. Members seeking to inspect such documents can send an email to cs@dharmajcrop.com.

INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS:

Voting through electronic means:

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Regulation 44 of the SEBI Listing Regulations and Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide members facility to exercise their right to vote at the 9th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by <https://instavote.linkintime.co.in>. The members shall refer to the detailed procedures on e-voting attached herewith. Resolution(s) passed by members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
2. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
3. 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 to at least 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.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Shareholders holding equity shares shall have one vote per share as shown against their holding. The shareholders can vote for their entire voting rights as per their discretion.
6. The remote e-voting period commences on 01st day of September 2023 (10:00 a.m.) and ends on 03rd day of September, 2023 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 28th day of August, 2023 may cast their vote electronically. The e-voting module shall be disabled by Link Intime for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
7. A member may participate in the Annual General Meeting even after exercising his right to vote through e-voting but shall not be allowed to vote again.
8. Members who are present at the AGM, but have not cast their votes by availing the remote e-voting facility, would be entitled to vote through evoting at the AGM.

9. Mr. Uday Dave failing him Mr. Umesh Parikh, Partner of Parikh Dave & Associates, Company Secretaries, Ahmedabad has been appointed as the Scrutinizer to scrutinize the e-voting process and voting process at AGM in a fair and transparent manner.
10. The Results will be declared on receipt of Scrutinizer's Report at the Registered office of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.dharmajcrop.com and on the website of Link Intime India Private Limited immediately and communicated to the NSE and BSE.
11. Mrs. Malvika Kapasi, Compliance officer of the Company, Plot No. 408 to 411, Kerala GIDC Estate, Off NH-8, At: Kerala, Ta.: Bavla, Ahmedabad 382220, Gujarat, India shall be responsible for addressing all the grievances in relation to this Annual General Meeting including e-voting. Her contact details are E-mail: cs@dharmajcrop.com, Phone No.: 079 29603735.

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on "Login".

- » Select the "Company" and 'Event Date' and register with your following details: -
 - A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
 - Shareholders/members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
 - Shareholders/members holding shares in physical form shall provide Folio Number registered with the Company
 - B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/
 - Company shall use the sequence number provided to you, if applicable.
 - C. Mobile No.: Enter your mobile number.
 - D. Email ID: Enter your email id, as recorded with your DP/Company.
- » Click "Go to Meeting" (You are now registered for Insta Meet and your attendance is marked for the meeting).

Instructions for Shareholders/Members to Speak during the Annual General Meeting through Insta Meet:

1. Shareholders who would like to speak during the meeting must register their request with the company.

2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/management will announce the name and serial number for speaking.

Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No./Folio No. and OTP (received on the registered mobile number/registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any

In case shareholders/members have any queries regarding login/e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

- A. Individual Shareholders holding securities in demat mode with NSDL
 1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
 2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

B. Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. The 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 www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
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 the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period. Additionally, there are 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.
3. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the 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.

C. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime India Private Limited and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form/Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN:

Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI:

Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format).

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

*Shareholders holding shares in NSDL form, shall provide 'D' above

» Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

» Click "confirm" (Your password is now generated).

3. Click on 'Login' under 'SHARE HOLDER' tab.

4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.

2. E-voting page will appear.

3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour/Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

4. After selecting the desired option i.e. Favour/Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIP at <https://instavote.linkintime.co.in> and register themselves as 'Custodian/Mutual Fund/Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution/authority letter/power of attorney etc.

together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian/Mutual Fund/Corporate Body' login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 - 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

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

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his/her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/depository participants website.

- » It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- » For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- » During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular "Event".

STATEMENT ANNEXED TO THE NOTICE SETTING OUT THE MATERIAL FACTS CONCERNING EACH ITEM OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD ON GENERAL MEETINGS

The following Statement sets out all material facts relating to the ORDINARY Business mentioned in the Notice:

Item No. 3

M/s. KARMA & CO. LLP, Chartered Accountants, were appointed as the Statutory Auditors of the Company at the 07th Annual General Meeting held on 21st October, 2021. The auditors have tendered resignation from the office of statutory auditors with effect from 26th June, 2023 due to change in the landscape of the Company on being listed and need for the company to have auditors with resources across geographies. To fill the casual vacancy caused by resignation of the statutory auditor, the Board of Directors of the Company at its meeting held on 27th June, 2023, based on the recommendations of the Audit Committee, have approved the appointment of M/s. MSKA & Associates, Chartered Accountants, Ahmedabad (Firm Registration No.: 105047W), in terms of Section 139 of the Companies Act, 2013 (as amended) (the "Act") read with the Companies (Audit and Auditors) Rules, 2014 (as amended) to hold the office upto this Annual General Meeting, subject to the approval of the members. Considering wide experience and expertise of MSKA & Associates, Chartered Accountants, Ahmedabad their appointment is proposed by the Board.

The approval of members for the said appointment is proposed in this meeting. M/s. MSKA & Associates have consented to the proposed appointment and have confirmed their eligibility for the same. They have further confirmed that their appointment, if made, would be within the limits laid down by or under the authority of the Act. They have also confirmed that they are not disqualified for the proposed appointment under the Act, including under Section 141 of the Act, the Chartered Accountants Act, 1949 and the rules and regulations made thereunder.

Brief profile/credentials of M/s. MSKA & Associates: -

M/s. MSKA & Associates, Chartered Accountants (FRN: 105047W), established in 1978 is an Indian Partnership firm registered with the Institute of Chartered Accountants of India (ICAI) and PCAOB (US Public Company Accountancy Oversight Board). M/s. MSKA & Associates offers a range of Assurance services, led by industry experts with deep knowledge pockets and driven by a commitment, to deliver high -quality services to all clients.

The firm has over 70 Partners/Directors and over 1650 staff and provides range of services inter alia under Audit & Assurance including Tax audit and Internal Financial Controls Audit. The firm has presence in 10 key cities in India namely Ahmedabad, Bengaluru, Chennai, Goa, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai and Pune.

The details required to be disclosed under Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) are as under:

- A. Proposed fees payable to the Statutory Auditor(s): ₹ 18 Lakhs p.a. (plus taxes) which includes annual certification charges but excludes out-of-pocket expenses & tax audit fees. Fees will be generally billed in a manner consistent with the progress of audit/engagements.

- B. Terms of appointment: Appointment as Statutory Auditors of the Company will be from the conclusion of the 09th Annual General Meeting till the conclusion of the 14th Annual General Meeting of the Company
- C. In case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change: There is a substantial increase in fees mainly because now the equity shares of the company is a listed on BSE and NSE Stock Exchange effective 8th December 2022, and auditors also require to perform limited review on quarterly basis, financial statements of the company are now to be prepared as per Ind-AS which requires additional efforts & disclosures. The proposed audit fee is also higher than paid to erstwhile auditors considering the size and reputation of the firm which has presence across India comprising very highly experienced and skilled professionals.
- D. Basis of recommendation for appointment: The Board of Directors and the Audit Committee, at their respective meetings held on June 27, 2023, have considered various parameters like capability to serve a widespread business landscape as that of the Company, audit experience across the industries, market standing of the firm, clientele served, technical knowledge, governance standards, etc., and found M/s. MSKA & Associates suitable for this appointment and accordingly, recommended the same.

The Board, based on the recommendation of the Audit Committee, recommends the resolution as set out in item no. 3 of this notice to be passed as an ordinary resolution. None of the directors and key managerial personnel or their relatives are interested financially or otherwise in the resolution as set out in item no. 3 of this notice.

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice: Item No. 4

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company and as per the applicable Rules, remuneration payable to the cost auditor is required to be ratified by the members of the Company in the general meeting. The Board of Directors of the Company at its meeting held on 15th May, 2023 has considered and approved the appointment of M/s. Dalwadi & Associates, Cost Accountants, Ahmedabad (having Firm's Registration No. 000338), as the cost auditor of the Company for the financial year 2023-24 at a remuneration of INR 53,000/- (Indian Rupees Fifty-Three Thousand Only) plus applicable Goods & Services Tax and out of pocket expenses that may be incurred.

The Board recommends this resolution for approval of the Members for ratification of the remuneration payable to the cost auditor for the financial year 2023- 24.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, financially or otherwise, concerned or interested in the resolution.

Item no. 5: Approval of charges for service of documents on the shareholders

As per the provisions of Section 20 of the Companies Act, 2013 and the rules made there under, a shareholder may request for any document through a particular mode, for which the shareholder shall pay such fees as may be determined by the Company in its annual general meeting.

Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., therefore it is proposed that actual expense that may be borne by the Company for such dispatch will be paid in advance by the shareholder to the company.

The Board of Directors recommends passing of the Ordinary Resolution as set out at Item No. 5 of this Notice. No Director of the Company, Key Managerial Personnel or their relatives respectively is in any way concerned or interested in the proposed resolution.

For and on behalf of the Board
Dharmaj Crop Guard Limited

Rameshbhai R Talavia
Chairman & Managing Director
DIN: 01619743

Place: Ahmedabad
Dated: July 11, 2023

DETAILS OF DIRECTOR SEEKING REAPPOINTMENT PURSUANT TO CLAUSE 1.2.5 OF THE SECRETARIAL STANDARD – 2 AND REGULATION 36 OF SEBI LODR REGULATIONS, 2015:

Information's required to be provided pursuant to be given under Companies Act, 2013 and Secretarial Standard

PARTICULARS	JAGDISHBHAI RAVJIBHAI SAVALIYA
Directors Identification Number	06481920
Date of Birth	April 14, 1978
Age	45 years
Qualification	Bachelors in Science with a specialization in Chemistry
Date of Appointment	April 1, 2016
Brief Resume and Nature of expertise in specific functional areas	He was working with Sunrise Pharmaceuticals, Crop Life Science Limited, Sabero Organics Gujarat Limited and Cratus Life Care. He heads the research and development and production process at our manufacturing facility. He has over 23 years of experience in various aspects of agro chemical industry.
Directorship in another companies and names of listed entities in which the person also holds the directorship	NIL
Committee membership in other companies and names of listed entities in which the person also holds the membership of Committees of the board along with listed entities from which the person has resigned in the past three years	NIL
Number of shares held in the Company	5,07,600
Relationship between director inter-se	None
Board Meeting attended during the year (2022-2023) out of 10	10
the justification for choosing the appointee for appointment as Independent Directors	NA



CORPORATE OFFICE

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