ORIENTAL CARBON & CHEMICALS LIMITED
14th Floor, Tower-B, World Trade Tower, Plot No. C-1, Sector-16, Noida - 201301, UP
Phone : 91-120-2446850 Email: occlnoida@occlindia.com
Website : www.occlindia.com

DIAMOND SULF®

August 11, 2022

The Manager
BSE Limited
Department of Corporate Services
Floor 25, P. J. Towers, Dalal Street
Mumbai - 400 001
Scrip Code: 506579

The Manager
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E)
Mumbai - 400 051
Scrip Symbol: OCCL

Dear Sirs,

Sub: Annual Report of the Company for the year ended March 31, 2022

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and further to our earlier letter regarding, inter alia, convening of the 42nd Annual General Meeting ("AGM") of the Company on **Monday, the September 05, 2022** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") facility, please find enclosed the Annual Report of the Company for the financial year ended March 31, 2022, being sent by email to those Members whose email addresses are registered with the Company / Company's Registrar and Share Transfer Agent ("RTA") / Depository Participant(s) ("Depository"). The requirements of sending physical copy of the Notice of the 42nd AGM and the Annual Report to the Members of the Company have been dispensed with vide MCA Circulars and SEBI Circulars.

Members of the Company holding shares in physical form who have not registered their email addresses with the Company can obtain the Notice of the 42nd AGM, Annual Report and/or login details for joining the 42nd AGM through VC/OAVM facility including e-voting, by sending scanned copy of the signed request letter mentioning Name, Folio Number and Complete Address, self-attested scanned copy of the PAN Card and self-attested scanned copy of any document (such as Aadhar Card, Driving License, Voter Identity Card, Passport) in support of the address of the Members registered with Company by email to the Company's RTA's email id, viz. **kolkata@linkintime.co.in** or Company's email id, viz. **investorfeedback@occlindia.com**. Members holding shares in demat form can update their email address with their Depository Participant.

In terms of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014 (as amended), the Company has fixed **August 29, 2022** as the cut-off date to determine the eligibility of the members to cast their vote by remote e-voting and e-Voting during the 42nd AGM scheduled to be held on September 05, 2022 through VC/OAVM Facility.

Request you to kindly take the same on record.

Thanking you,

Yours truly,
For **Oriental Carbon & Chemicals Limited**

Pranab Kumar Maity
Company Secretary & GM Legal
Encl: As above

Oriental Carbon
& Chemicals Limited

New value-creation platform

INTEGRATED ANNUAL REPORT 2021-22

Contents

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

New value-creation platform

In today's world, it is not only enough to be engaged in a business that promises to enhance value.

It is imperative to create a corresponding structure that makes it possible to retain or transmit this enhanced value in the most efficient manner to stakeholders.

The Board of Directors of Oriental Carbon & Chemicals Limited proposed various initiatives to leverage its competitiveness and enhance value for all its stakeholders in a sustainable way.

4 principal messages of this Annual Report

OCCL took decisive initiatives – demerger and splitting the face value of the equity shares of the resulting company – to enhance stakeholder value.

OCCL increased its manufacturing capacity through the slowdown with the objective to emerge opportunity-ready.

The global insoluble sulphur sector went through a downturn during the last financial year but appeared to have bottomed out.

There is a growing trend of large multi-national companies working closely with vendors aligned around ESG principles.

Corporate snapshot

Oriental Carbon & Chemicals Limited.

Among a handful of global manufacturers of insoluble sulphur.

Inspired by a commitment to enhance stakeholder value, protect the environment and run the business with integrity.

Driven by customer focus, research and knowledge.

Possessing a vision to be present in every tyre of the world.

Our values

While striving to be present in every tyre of the world, we will endeavor to enhance value for the following stakeholders:

Our People: Build Trust and Engagement by creating Success Opportunities and enabling a Happy Environment

Our Customers: Build Trust and Reliability by delivering Quality, Service and Optimising Costs

Our Shareholders: Build Trust and Value through Sustainable Growth and being Socially Responsible

How we intend to enhance value

- Growth mindset
- Respect and care
- One team
- Passion for excellence
- Continuous learning
- Customer centricity

Our pedigree

Oriental Carbon & Chemicals Limited belongs to the JP Goenka Group of Companies. The Company was incorporated as Dharuhera Chemicals Limited (DCL) in 1978. The Company commissioned a unit in 1994 to manufacture insoluble sulphur, now the company's flagship product.

Our products

The Company is one of a handful of global manufacturers of insoluble sulphur, a specialised raw material for tyres. The Company also manufactures sulphuric acid and oleum in its Dharuhera unit.

Our customers

The Company addresses the demanding and evolving requirements of marquee customers in the global tyre and rubber industries through superior product quality and service. More than 50 % of the company's revenue is derived from international customers, validating the Company's international competitiveness.OCCL is a preferred global vendor for insoluble sulphur.

Our facilities

The Company's state-of-the-art manufacturing facilities are located in Dharuhera (Haryana) and Mundra (Gujarat). Manufacturing operations commenced with a modest capacity of 3,000 MT per annum in 1995, which has since grown to an aggregated 39,500 MT per annum. The Company also possesses an aggregate capacity of 88,000 MTPA (post expansion) for sulphuric acid and oleums.

Our presence

The Company's corporate office is located in the National Capital Region (India). The Company markets products in more than 28 countries. It has warehouses and agents across the world.

Our brand

The Company's principal insoluble sulphur brand - Diamond Sulf – is synonymous with world-class quality that enhances product integrity for downstream customers and takes their businesses ahead.

Our product range

The Company develops customised insoluble sulpher grades across possibly the world's widest portfolio. This addresses a customer's diverse compounding requirements and empowers them to match the right product grade with existing manufacturing processes and desired product attributes.

Our solutions focus

The Company invests in people, plants, processes and presence with a long-term perspective. This has resulted in customised products, timely deliveries and technical services – a single-stop solution – that has helped transform transactions into multi-year relationships.

Our research focus

The Company is research-driven and manufactures products of the desired quality and performance. The Company has an in-house DSIR-recognised R&D facility.

Our certifications

The Company has been accredited with the Responsible Care logo by the Indian Chemical Council for three years up to March 2025, an important recognition of its sustainability, ethos and credentials. The Company also received two awards from customers for sustainability. The Company's Ecovadis Gold rating was renewed, placing the company in the top 6% of companies assessed by Ecovadis globally, in recognition of its continued commitment towards sustainability.

The Company's products are EU-REACH-registered. Besides, the company's facilities and processes have been certified for IATF 16949, ISO 9001, ISO 14001 and ISO 45001, enhancing customer confidence.

How we have evolved over the years

Incorporated as Dharuhera Chemicals Ltd to manufacture sulphuric acid

1978

Commenced sulphuric acid production

1978

Merged with Oriental Carbon Ltd. to form Oriental Carbon & Chemicals Ltd.

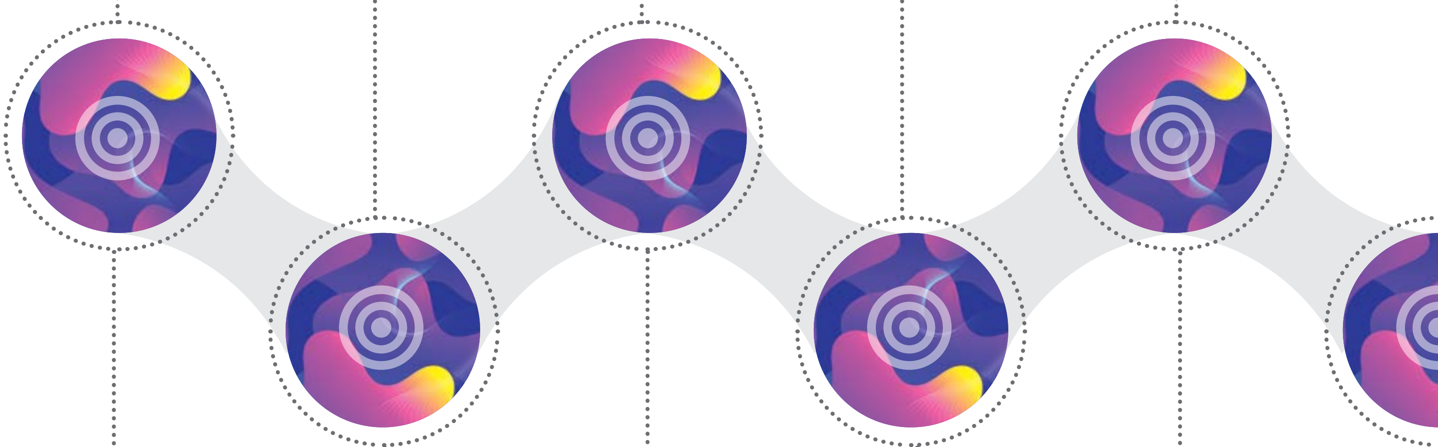
1984

Commenced insoluble sulphur production

1994

Introduced high stability grades

1998



2007

Introduced custom-made grades

2009

Commenced the construction of the Mundra plant

2011

Completed the construction of the first phase of the Mundra plant (5500 MTPA)

2012

Commissioned the second phase of the Mundra plant (5500 MTPA); acquired 50% equity shares of Schrader Duncan Ltd.

2016

Initiated the expansion of an additional 11,000 MTPA of insoluble sulphur capacity at Mundra

2000

Divested the carbon black business

2001

Developed the AS grade

2002

Established a modern R&D department

2003

Developed the high dispersion grade

2005

Established a second manufacturing line at Dharuhera

2017

Commissioned insoluble sulphur capacity expansion of 5,500 MTPA at Mundra

2018

Commissioned another 5500 MTPA of insoluble sulphur capacity at Mundra

2019

Kickstarted brown field expansion of an additional 11,000 MTPA of insoluble sulphur capacity at the Dharuhera plant in two phases

2021

Commissioned a 5500 MTPA expansion at its Dharuhera facility

Our brand, products and outcomes

Diamond Sulf Insoluble Sulphur

Insoluble sulphur: Diamond Sulf is a polymeric form of sulphur in contrast to natural sulphur, which is crystalline and monomeric in nature. The polymeric chains of Diamond Sulf comprise several thousand micro-fine sulphur particles. The product is insoluble in all known solvents and rubber compounds; it does not take part in a cross-linking reaction like natural sulphur as long as it is in the polymeric form.

Regular grades: Diamond Sulf oil-treated grades are non-blooming and are ideal vulcanising agents for natural as well as synthetic rubbers. They are particularly suitable for use in compounds where sulphur loading levels are required above the threshold limit of sulphur solubility in particular compounds.

High stability grades: Insoluble sulphur possesses a high level of thermal stability and provides optimum resistance to sulphur reversion in the soluble form even at elevated temperatures. The product facilitates enhanced bloom protection. High stable Diamond Sulf ensures consistent vulcanising properties.

Special grades: Diamond Sulf special grades are customised around specific customer requirements. These grades have been progressively enhanced, customised further in line with demanding downstream requirements.

High Dispersible (HD) grade: This grade of Diamond Sulf Insoluble Sulphur exhibits higher levels of dispersion in rubber matrix. During the mixing process, this grade helps in reduction of the incorporation time under identical conditions. This grade contains a suitable polymeric binder, which facilitates better dispersion, resulting in homogeneous vulcanisation.

Sulphuric acid

The Company manufactures commercial grade and battery grade sulphuric acid and oleums. The product finds application as a dehydrating agent, catalyst and active reactant in chemical processes, solvents and absorbents.

It is also used in high purity grades in storage batteries, rayon, dye, acid slurry and pharmaceutical applications as well as commercial grades in the steel, heavy chemical and super-phosphate industries.

OCCL markets products in more than 28 countries. Used by some of the largest and most demanding multi-national customers. Accounting for about 10% of the global production of insoluble sulphur

The Company's insoluble sulphur product is marketed across the world through a multi-country distribution network comprising agents and distributors.

Our global presence

28+

countries across the globe

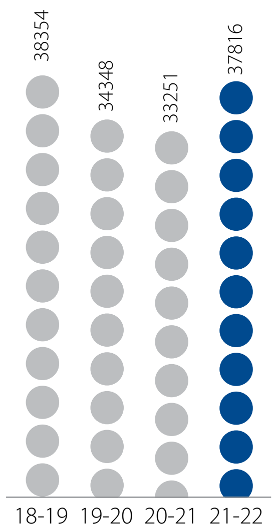
Our state of-the-art manufacturing facilities

Product name	Annual capacity (MT)	Location
Insoluble sulphur	17,500	Dharuhera (Haryana)
Insoluble sulphur	22,000	SEZ Mundra (Gujarat)
Sulphuric acid / oleum	88,000	Dharuhera (Haryana)

Some of our prominent customers

How we have grown over the years

(₹ Lakh)



Revenues

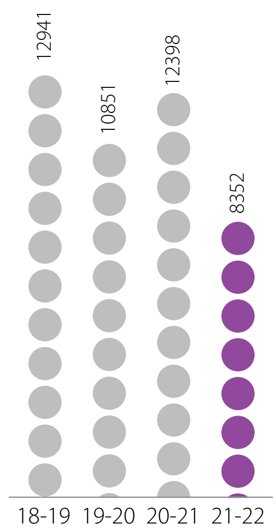
Definition
Growth in sales

Why this is measured
It is an index that showcases the Company's ability to maximise revenues, which provides a basis against which the company's success can be compared with sectoral peers.

What this means
The Company reported a 14% growth in sales revenue to ₹37,816 Lakh. This growth was mainly on account of an increase in sales volume and realisations (towards the later part of the year) that helped enhance revenues. It also reflects the resilience of the company during difficult times over the last two years.

Value impact
The growth in revenues provides the Company with the critical mass to amortise fixed costs, service customers with on-time and in-full deliveries and enhance profitability.

(₹ Lakh)



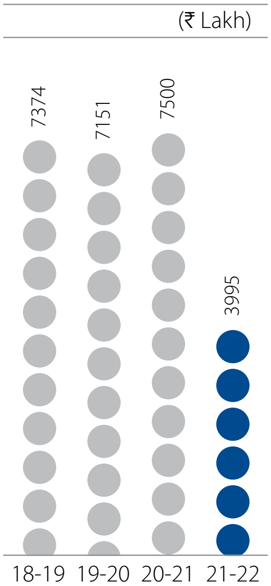
EBITDA

Definition
Earnings before the deduction of interest, depreciation, extraordinary items and tax

Why this is measured
It is an index that showcases the Company's ability to generate a surplus after optimising operating costs, providing a base for comparison with sectoral peers.

What this means
Helps create a robust surplus-generating growth engine that enhances reinvestment.

Value impact
The Company reported an EBITDA degrowth of 33% in FY 21-22, the outcome of Covid-related market slowdown and an unprecedented increase in input and freight costs that could only be partially passed on to customers with a time lag.



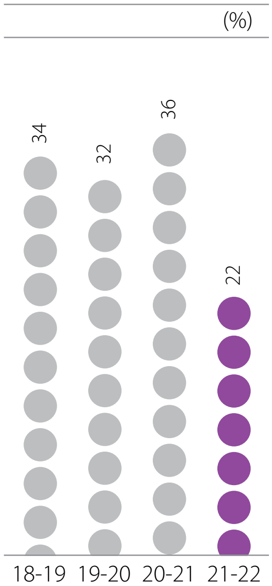
Net profit

Definition
Profit earned during the year after deducting all expenses and provisions

Why this is measured
It highlights the strength of the business model in enhancing value for shareholders.

What this means
This ensures that adequate cash is available for reinvestment, strengthening the virtuous cycle of business sustainability.

Value impact
Net profit declined 47% due to a reduction in margins on account of increased input and logistic costs.



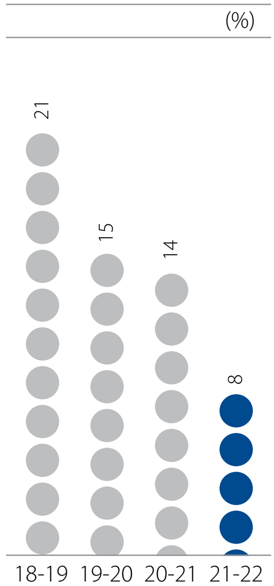
EBITDA margin

Definition
EBITDA margin is a profitability measure to ascertain a company's operating efficiency

Why this is measured
The EBITDA margin provides an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

What this means
This measure demonstrates the buffer in the business, which, when multiplied by scale, can potentially enhance the surplus.

Value impact
The Company reported a 1400-bps decline in its EBITDA margin in FY 21-22 on account of the increased resource costs that could not be passed on.



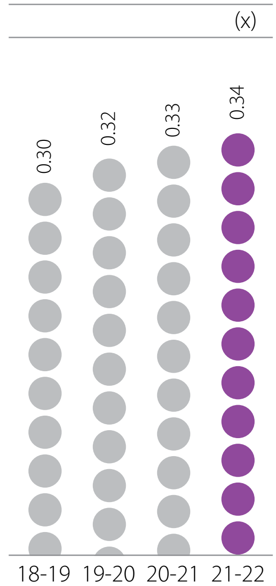
ROCE

Definition
This is a financial ratio that measures efficiency with which capital is employed in the company's business

Why this is measured
ROCE is an insightful metric to compare profitability across companies based on their capital efficiency

What this means
Enhanced ROCE can potentially drive valuations and perception.

Value impact
The ROCE was impacted by 600 bps due to lower profitability



Gearing

Definition
This is the ratio of total debt to net worth

Why this is measured
This is one of the defining measures of a company's financial health. This indicates the ability of the company to remunerate shareholders over debt providers (the lower the gearing the better).

What this means
This indicates whether the Company enhances shareholder value by enhancing net worth or moderating debt.

Value impact
The Company's gearing stood at 0.34 in FY 21-22., around the same level of the previous year.

Our demerger proposal will lay the foundation of a new phase in our value creation journey for the benefit of all our stakeholders.

Overview

When we went into the business three decades ago, our primary objective was to enhance value for our stakeholders.

The recent past represents a watershed in our value-creation journey.

In a post-Balance Sheet date development, the Board of Directors of your company proposed the demerger of the chemical business of Oriental Carbon and Chemicals into OCCL Limited. As per the draft scheme of arrangement, the Company's chemicals business will be demerged to OCCL Limited and the Company will continue with its investment and other business. The scheme will be effective following approval by National Company Law Tribunal.

The Company's investors will get five shares of OCCL Limited of face value of ₹2 each against each share of face value of ₹10 held in the company, which shall be listed following the approval of the scheme of arrangement by NCLT and other statutory authorities

The objective of the demerger is to enhance shareholder value.

The rationale of this proposed demerger is enhanced transparency, appeal to focused investors and empowerment to the respective entities to mobilise independent resources.

This demerger is expected to serve as a trigger for the next round of the company's growth journey.

Rationale

A number of shareholders will seek to understand why this demerger was at all necessary.

The answer lies in the extensive changes that have emerged in a pandemic-affected world.

The first reality is the need for resource security. An increasing number of companies seek to work with resource providers who can be trusted to deliver across market cycles. The age of vendorship is coming to an end; the age of responsible partnerships has begun.

Customers are seeking partners for the long-term as opposed to chasing the next arbitrage opportunity; customers are seeking resource providers whose values and governance commitments match their own; customers are increasing procurement from partners who are investing in capacities slightly ahead of the demand curve and whose technical quality standards have been synced with requirements.

The demerger will empower the chemical business to unlock value through enhanced flexibility in accessing capital for growth and attracting business-specific partners and investors. The demerger will also enable the management to focus on pursuing revenue growth and other expansion opportunities within the respective business verticals.

The second reality is a deepening ESG respect. Customers with demanding needs do not engage with resource providers only on the basis of price; they appraise comprehensively on the basis of carbon footprint as well, marked by the use of efficient technologies, clean fuel use, employee training and credible certifications. The demerger will empower OCCL Limited (company engaged in the chemical business) to seek long-term strategic alliances that could reinforce its business model and strengthen its long-term prospects.

The third trend that we are seeing is consolidation. At the bottom end of the insoluble sulphur cycle, we are beginning to see consolidation. The largest global manufacturers of our product was acquired by a private equity firm in the recent past, the first of more such initiatives to consolidate capacity. As a forward-looking company, it is imperative to be prepared for any opportunities that may arise due to the changing global scenarios in the industry.

The proposed demerger will empower the demerged company to seek focused investors. The reorganisation of global supply chains is throwing up wider opportunities; the emergence of new technologies is likely to widen the space for winners in the global speciality chemicals sector. The demerged company will seek to make timely strategic investments, taking its business ahead.

Dividend policy

The Company also announced a transparent dividend policy with the objective to share its corporate prosperity better with shareowners.

The Company announced a policy to share up to 50% of its profit after tax as dividend pay-out, subject to cash availability. This announcement is best-in-class among listed Indian companies and a faithful reflection of the company's intent to enhance shareholder value.

The announcement of a dividend policy is also a reflection of the company's confidence in its business model, competitiveness and prospects.

For the year under review, your management paid an interim dividend of ₹7 per share and proposed a final dividend of ₹7 per share, aggregating to ₹14 per share, corresponding to a pay-out of 35%.

Conclusion

The complement of separate growth buckets, transparent reward structure, increased liquidity and a lower face value share in the resulting company represents a multi-year platform for consistent value-creation.

We are optimistic that this decisive approach will lay the foundation of a new phase in our value creation journey for the benefit of all our stakeholders.

Arvind Goenka,
Managing Director

A review of our performance in FY 21-22

By **Mr Akshat Goenka,** Promoter and Joint Managing Director

The overview of the sector

The global insoluble sulphur sector has been passing through a period of muted demand and relative overcapacity for the last few years. Realisations have been depressed; the capacity to pass cost increases to customers has been limited; there is a premium on finding new markets and customers. This downtrend was extended by the effect of the pandemic, which continued to affect demand.

The difference between earlier sectorial cycles and the one the industry is passing through at the moment is the extended period of the downtrend on the one hand and the depth of it on the other. Additional capacity creation in the past was usually accompanied by quicker offtake, which left the overall market equilibrium undisturbed. The erstwhile smoothness of the sectoral curve has been replaced by a sharper decline in realisations during the prevailing downtrend. Besides, there has been a concurrence of a sharp resource cost increase coupled with logistical cost rise arising out of an increase in crude oil prices and a decline in the availability of shipping containers.

The result is that the prevailing circumstances during the year under review were possibly the most challenging encountered by the company in its existence.

The priorities at our company

In an environment where realisations were muted and offtake was constrained, the only plausible counter-initiative was a reaction in operational expenditure. The Company selected to invest deeper within its business – plant, processes, people and projects – to enhance competitiveness.

Despite the unprecedented challenges, it is a credit to the company's competitiveness that it reported a ₹83.52 Crore in profit during the year under review. The Company achieved a positive break-even point on account of a commitment to do whatever it takes to strengthen its operating performance. At the heart of this resolve was the company's commitment to moderate costs across the board and be prepared for a recovery.

The Company increased its insoluble sulphur installed capacity by 5500 TPA during the course of the year, aggregating to 39,500 TPA. This increased capacity will help the company moderate its per unit cost in addition to having enough capacity on call to service a demand rebound. The Company operated at optimum capacity utilisation despite a capacity increase during the last financial year, which resulted in tonnage volume growth.

The Company took several initiatives to optimise fuel consumption. Besides, the company shifted to propane from the consumption of LDO with corresponding environmental and cost benefits; it invested in 500 KWp of rooftop solar energy at Mundra and another 858 KWp at Dharuhera. It started the consumption of biofuel, partially replacing coal. These initiatives helped the company moderate the full impact of resource inflation, strengthening the company's resolve to emerge as the last person standing during the slowdown.

The company strengthened its ESG credentials during the year under review. It engaged in various initiatives to replace the use of legacy fuels with cleaner alternatives; it strengthened operating technologies to enhance resource utilisation efficiency, thus being awarded globally coveted certifications like Responsible Care logo and Eco Vadis Gold.

The big question is whether the insoluble sulphur market has bottomed out. There is no way of being definitive about it, except to say that the operating margins are the lowest we have seen in years and the company successfully derived a price improvement in the first quarter of FY 22-23 that should be visible in the performance of the company from the first quarter of the current financial year.

In the current scenario, it is unlikely that freight costs will normalise soon. The market may take some time to completely correct. In such a scenario, where margins are still below erstwhile levels, the company plans to sell higher volumes starting the current financial year. The Company intends to get approvals from marquee tyre companies for the supply of insoluble sulphur; it will continue to moderate costs and strengthen its ESG rating, strengthening credentials.

By endeavouring to increase sales volumes by an estimated 20% during the current financial year, the Company intends to generate enhanced revenues, margins and surplus that could translate into increased value across all our stakeholders.

The outlook for the tyre sector appears positive with a number of tyre companies announcing capex plans of approximately ₹5,000 Crore during this fiscal year. Besides, good demand is expected from India's replacement and OE markets. Demand is likely to be driven by higher government spending and increasing fleet utilisation.

An insight into the financial heart of our business

Overview

The Company encountered extensive unforeseen challenges during the year under review related to a lock down in the first quarter of the financial year under review, raw material cost volatility, global supply chain bottlenecks, increased logistic costs, staggered vaccination, delayed capacity commissioning, Russia-Ukraine war and an increased working capital outlay. The cumulative impact of these challenges was unprecedented, affecting margins, which declined to their lowest in the fourth quarter. The fact that the Company managed to end the year with profits is a validation of its maturity, scale and competitiveness.

What we earned from our business in FY 21-22

62.95

₹ Crore, quantum generated from our business*

*Profit after tax + Depreciation

Profitable growth

During the last decade, the Company scaled its business around insoluble sulphur and sulphuric acid, the first being a niche product and the second being commodity. The combination represented operational integration, one delivering value-addition and the other generating volume-driven economy while being a source of energy for the insoluble sulphur plant. The combination of the businesses helped moderate the full impact of the economic curve.

Credit rating

During a challenging and uncertain phase, your company protected its credit rating of AA- for long-term borrowings as appraised by ICRA Ltd. This protection represents a validation of the three P's – the Company's performance, promoter and prospects.

Capital efficiency

The Company reported a decline in profitability during the year under review. EBITDA margin declined 1400 bps to 22%, which was a reflection of a sharp increase in raw material and logistic costs; Return on Capital Employed declined by 700 bps to 8% due to increased working capital outlay; RoE declined 800 bps from 15% to 7%.

The declines could have been sharper but for various counter-initiatives. As a result, the Company posted an EBITDA of ₹83.52 Crore during a challenging phase.

The continued viability of the business was the result of long-term priorities and investments: sustained investments, cost rationalisation and process optimisation enhanced economies of scale, brand credibility, positive product outcomes at the customer's end and technical customisation competence.

Across the foreseeable future, the Company will continue to maximise capital efficiency through debt moderation, focus on cost savings and optimisation, Phase II capacity expansion (Dharuhera) at a capital cost considerably lower than the greenfield commissioning benchmark, value-addition and disciplined working capital management.

Over the last three decades, the Company grew its insoluble sulphur business from scratch to emerge among the five largest in the world and the largest in Indian sub-continent, which enhanced economies of scale.

Margins

Our objective is to generate attractive margins as an index of our competitiveness. This commitment was disrupted during the last financial year when our EBITDA margin declined following a sharp increase in raw material and logistics costs, which could not be passed on to customers. Costs increased across the quarters, neutralising the upside of an increased sales price.
The fact that the Company reported a reasonable EBITDA margin of 15% during the last quarter – its most challenging in years – validates its competitiveness.

EBITDA margin

Year	FY20	FY21	FY22
EBITDA margin%	32	36	22

Liquidity

As a policy, we utilise accruals in business growth, moderating borrowed funds. During the year under review, our drawings were moderate despite the challenging external environment, which made it possible to reduce interest outflow and relatively protect our profitability.

How we allocated our surplus in FY 21-22

16.98
₹ Crore towards the payment of dividend

59.20
₹ Crore for plant and equipment, including capital work in progress

24.88
₹ Crore for the repayment of long-term borrowings and investments

The working capital outlay was micro-managed to optimise capital utilisation, while ensuring the availability of inputs and costs optimisation in an uncertain supply environment, coupled with rising prices.

The Company recognised the importance of working with an under-stretched Balance Sheet, marked by sufficient liquidity, rising interest cover, stronger gearing and lower net debt/EBITDA. The Company focussed on protecting terms of trade (within tolerance limits), and leveraging liquidity to ensure the availability of inputs at optimum prices.

The result: the company repaid loans of ₹25 Crore during the last financial year while its ₹59.20 Crore investment in brownfield capacity expansion (5500 MTPA) of insoluble sulphur was funded through net worth to the extent of 33%. The Company intends to repay ₹41 Crore of long-term debt during the current financial year, strengthening the Balance Sheet further.

Cash and cash equivalents

Year	FY20	FY21	FY22
Cash and cash equivalents (₹ Crore)	141	154	112

Debt management

The Company utilises short-term loans to fund working capital needs. The Company's long-term debt remained stable at ₹136.11 Crore compared with ₹137.5 Crore in the previous year (in spite of fresh loans for capacity expansion at Dharuhera); net worth strengthened to ₹557 Crore from ₹532 Crore in the previous year.

Debt-equity ratio was a comfortable 0.33 in FY 21-22 compared to 0.34 in FY 20-21, due to a growth in net worth on the one hand and increase in working capital requirements on the other.

The Company invested in capital expenditure with a balanced deployment of debt and cash accruals. By the virtue of investing in proven products, the Company ensured timely debt repayment. This preference for long-term debt has been shareholder value-accretive, maximising and balancing cash flows while creating a war chest for emerging opportunities.

Debt repayment

Year	FY20	FY21	FY22
Debt repaid (₹ Crore)	23	13	25

Gearing

Year	FY20	FY21	FY22
Debt-equity ratio	0.32	0.34	0.33

Working capital management

There was a sharp increase in the cost of raw materials and shipping freight during the year under review. Sulphur, the principal raw material used by the company, appreciated 84% from trough to peak and 72% from year-start to year-end, putting a premium on the ability to buy right.

Working capital as a proportion of the total employed capital increased from 14% to 17% due to an increase in input prices and consequent increase in sales realisations. The proportion of inventory in the working capital outlay increased from 41% to 51%. The Company's receivables-to-turnover ratio was 4.66 in FY 20-21 and 4.86 during the year under review.

Working capital as % of total capital employed

Year	FY20	FY21	FY22
Working capital as % of total capital employed	15%	14%	17%

Cost management

The Company embarked on the exercise to moderate costs from a strategic long-term perspective well before the pandemic outbreak in 2020. The Company examined every expenditure head and reallocated talent across its expanded capacity to enhance productivity. The Company invested in projects with the objective to moderate utilities cost, which could have significant outcomes. These projects comprised optimising energy usage at various places within the manufacturing plants, increasing fuel usage efficiencies and shifting to lower cost environment-friendly fuel. These projects are expected to be completed in December 2022 and the full impact of their outcomes is likely to become visible from FY 2023-24.

The Company installed a further 0.95 MW rooftop solar power system across two locations (commissioned in April 2022), which is expected to moderate power costs. The Company shifted from the use of liquid fuel to gas across both plants, which should moderate costs once gas prices normalise. The Company commenced the partial usage of briquettes (instead of coal) as a 'green' initiative.

Accruals management

The Company's capacity expansion was structured across two phases. In the first phase, the company expanded its capacity of insoluble sulphur by 5500 MTPA and of sulphuric acid by 42,000 MTPA during the second half of the last financial year. In the second phase, the company intends to raise its insoluble sulphur capacity by another 5500 MTPA. These expansions should generate larger cash flows, which should moderate the Company's debt going forward.

Way forward

At OCCL, we are opportunity-ready from capacity, cost and ESG perspectives. Our ongoing cost moderation exercise could strengthen our financials from FY 21-22. A reallocation of our existing people strength towards the expansion could enhance per person productivity in line with production growth. The Company will seek to increase its sales footprint across all geographies.

The Company protected its financial foundation during the year under review. The Company's net worth stood at ₹557 Crore as on 31st March, 2022, with ₹136 Crore in long-term debt and ₹46 Crore in short-term debt. The Company's large net worth was the outcome of a long-term aggregation of surpluses. In an unpredictable world, this significant net worth bias implies relative de-risking; it provides the company with resilient capital in a challenging phase.

Subsidiary poised for growth

One of the highlights of the company's performance during the year under review was the consolidation in the operations of Duncan Engineering, the company's engineering subsidiary.

The Company had invested in this business at the turn of this decade. Following patient capability-building, the subsidiary posted its first profit a couple of years ago within a sluggish economic environment.

During the year under review, the subsidiary reported 34% growth in revenues as compared to the previous financial year despite the Covid related slowdown. During the last quarter, the subsidiary reported record production and sales, validating its optimism for the current financial year.

The subsidiary is growth-ready with no debt on its books, prudent recruitment of senior management and the creation of a succession pipeline.

Our vision: To be present in every tyre of the world

The industry overview

Insoluble sulphur is a preferred curing agent for the rubber industry, being universally recognised as the best vulcanising agent. The product is used in the manufacture of tyres, rubber pipes, shoes, cable and wire insulating materials, latex and automobile rubber parts. However the main use of the product is in the tyre industry.

The product is used in quality rubber components requiring a high degree of tack and resistance to fatigue. This is more so in radial tires (content of insoluble sulphur being about 1.7x over bias tires), where it improves vehicle fuel efficiency, mileage and lightness.

The product is also used in belting, cable cum wire insulating materials and hoses. It facilitates rubber adhesion, preventing it from breaking apart and improving resistance to heat and tyre wear.

The global insoluble sulphur market size is projected to reach USD 1.2 Billion by 2027, registering a CAGR of 2.9% (Source: prnewswire.com).

Asia-Pacific dominates the global insoluble sulphur market with more than 50% share by volume. Due to rapid industrialisation across China, India, Japan, South Korea and other Asian countries, there has been an exponential growth in consumer spending on automobiles, strengthening the market for insoluble sulphur. The region also contributes a major portion of footwear produced in the world, generating strong insoluble sulphur demand (Source: Chemanalyst).

Growing addressable market

As recently as a couple of years ago, the global demand for tyres reached nearly 3378.96 Million units, growing at a CAGR of 4% between 2016 and 2020. The global demand for tyres is expected to grow at an almost similar rate between 2021 and 2026, resulting in a projected volume of 4111.02 Million units by 2026. (Source: Expert market research.com).

Goal contributors

ESG: The Company deepened its ESG commitment, strengthening its compliance, environment integrity, talent management, eco-system management (vendors and customers) and stakeholder expectations management. The Company pivoted its sales and pricing strategies with speed to address the challenges of volatile markets. With the environment of rubber compounds and processing equipment evolving, the marketing team played the role of a bridge to facilitate active collaboration and communication between our technology team and customers. The Company was awarded a Gold Rating by Eco Vadis and accredited with the Responsible Care logo by Indian Chemical Council for three years up to March 2025, strengthening its relevance in a sensitised world.

Competitiveness: The Company enhanced capacity, moderated its cost structure through value engineering, enhanced the use of accruals in expansions and accessed low cost debt, strengthening its positioning as one of the most competitive players the world over.

Revenue broadbasing: The Company commissioned insoluble sulphur and sulphuric acid capacity, widening the products portfolio.

Prominent customers: The Company engaged with a larger number of marquee customers, generating product approvals for specific territories. The marquee customers invest in progressively better tyres and engage with quality-respecting and research-driven vendors with a proven ESG record as they require quality insoluble sulphur.

Multi-year engagement: The Company widened relationships with a larger number of customers, while deepening relationships and enhancing its wallet share. In FY 21-22, the company generated more than 90% revenues from customers of five years or more.

Research: The Company intends to deepen technology in its insoluble sulphur product, addressing the growing needs of demanding downstream customers.

Our integrated value-creation report

Overview

In the modern world, it is no longer enough to enhance shareholder value. The operative term that is being increasingly used is 'stakeholder value'.

By the nature of the term, 'stakeholder' does not merely refer to the interest group that owns shares in the company. It refers to every single individual, collective or sentient being that is likely to be influenced by the company's brand, product or operations.

This represents an understanding of how value needs to be integrated across all stakeholders, the measure by which all companies are appraised. This Integrated Value-Creation Report is being increasingly respected for its appraisal of 'hard' and 'soft' initiatives in its reporting format. The report draws on diverse strands (financial, management commentary, governance, remuneration and sustainability reporting) in explaining an organisation's ability to create, enhance and sustain value.

Interestingly, the influence of an Integrated Report enhances an understanding across diverse stakeholders (employees, customers, suppliers, business partners, local communities, legislators, regulators and policy makers), underlining the need for an organisation to enhance value in a sustainable manner.

Strategy

- Manufacture products (or grades) that address customer-specific needs
- Ensure environment responsibility through products and processes
- Provide a range of products, resulting in a one-stop solution

Procurement economies

- Procure the best resource quality through knowledge and relationships
- Procure most economically through better terms of trade
- Procure sustainably through multi-year relationships

Distribution footprint

- Global sales footprint across 28+ countries
- Leverage the benefit of a port-based manufacturing location
- Service customer needs in a timely way through agents and warehouses

Our sustainability framework

Manufacturing excellence

- Invest in cutting-edge technologies and Six Sigma projects
- Maximise asset utilisation
- Benchmark operations and demanding environmental guidelines

Brand and customer capital

- Customise products for customers (solutions orientation)
- Widen the products portfolio (grades) and choice
- Establish quality and service dependability

Financial structure

- Maintain optimum and comfortable debt-equity and debt service ratios
- Strengthen working capital efficiency
- Optimise the financial cost

Environment integrity

- Moderate resource consumption per unit of production
- Protect the region's environment balance
- Benchmark as per prevailing statutory and customer compliance standards

People competence

- Enhance per person productivity
- Invest in knowledge, experience and passion
- Deepen an existing culture of kaizen-led outperformance

Community support

- Provide community support
- Focus on integrated development
- Engage in a sustainable way for extended impact

Strategic framework

Our insoluble sulphur business has been in existence for nearly three decades. The business has been built around specialisation in competencies with the objective to be liquid and viable during the bottom end of a market cycle.

The Company has proactively invested in proprietary research, product development, product customisation, understanding of global trends and thrift, enhancing capacity at relatively low capital costs per tonne. OCCL has emerged among the most competitive insoluble sulphur manufacturing companies in the world and among the five largest anywhere.

The Company's proprietary technology represents a competitive barrier. The investment (time and effort) an intending competitor would need to invest to develop a proprietary technology could be high considering that this technology is not available off the shelf; after having stabilised production, it could take a couple of years to get the product approved by demanding customers. The cost of capital during this phase is likely to make new entry unviable.

Quality standards needed in the manufacture of insoluble sulphur are perpetually evolving, resulting in safer downstream products. Customers take years to approve vendors; thereafter, purchases are gradually scaled; the quality derived out of each successive capacity expansion needs to be approved by the customer. This puts a premium on relationship engagement and stability, the basis of growth in a demanding business.

Business objective

Aspire to be the most respected and most preferred technology-driven Insoluble Sulphur supplier to the rubber industry

Business fundamentals

Clientele	Bandwidth	Growth	Efficiency	Range
Enduring relationships with customers in more than 28 countries	Experienced team with more than 3 decades of experience	Continuous capacity expansion (Insoluble Sulphur) from 3,000 MT in 1994 to 39,500 MT	Focus on cost optimisation related to raw material, freight, power and fixed expenses	Variety of grades customised around downstream needs

High entry barriers

- Stringent, time-consuming customer approvals
- Well-guarded technology
- Capital-intensive business

Market leadership

~60%
Indian market share of Insoluble Sulphur

~10%
Global market share

Sustained growth

7%
CAGR in revenues, 2015-22

7% CAGR in PAT, 2015-21. However last year's profitability was lower due to Covid and a global economic turmoil, hence not comparable.

Attractive fundamentals

EBITDA margin in excess of 30% in last 5 years except FY2022 (22%) which was a effected due to Covid and a global economic turmoil.

8%
ROCE, FY 21-22

0.33
debt-equity ratio, FY 21-22

112
(₹ Crore) Cash on the books, 31st March, 2022

RESPECTED AS AMONG THE MOST COMPETITIVE INSOLUBLE SULPHUR COMPANIES IN THE WORLD

OCCL and shareholder value

Capital appreciation

576
₹ Crore, (BSE) market capitalisation, 31st March, 2020

916
₹ Crore, (BSE) market capitalisation, 31st March, 2021

797
₹ Crore, (BSE) market capitalisation, 31st March, 2022

OCCL's financial hygiene

RoCE

21
% Return on Capital Employed, FY 15-16

8
% Return on Capital Employed, FY 21-22

EBITDA

8676
₹ Lakh, Earnings before interest. tax and depreciation-amortisation, FY 15-16

8352
₹ Lakh, Earnings before interest. tax and depreciation-amortisation, FY 21-22

EBITDA margin

32
%, FY 15-16

22
%, FY 21-22

Gearing

0.16
Debt-equity ratio, FY 15-16

0.33
Debt-equity ratio, FY 21-22 (due to new term loans for capacity expansion)

Consistent dividend record

Dividend as a % of face value

FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22
50	70	85	85	100	100	120	100	140	140

The Board of Directors declared a year-end final dividend of ₹7 per equity share of ₹10 each (70% of face value), to be approved by shareholders, aggregating to ₹14 per equity share for the full year under review

OCCL's shareholder value commitment

Buyback: In FY 18-19, the Company bought back 305,970 fully paid-up equity shares from shareholders from the open market at a price not exceeding ₹1,150 for an aggregate amount not exceeding ₹3,500 Lakh.

Payout ratio: The management enunciated a dividend payout ratio (percentage of profit after tax that would be paid out as dividend) not exceeding 50%, which reconciles the company's need for growth capital and shareholder reward.

Our strategy

Strategic focus	Key enablers		
Innovate and excel	OCCL's process and product excellence the centred around customised products compatible with the demanding quality standards of end products manufactured by its Indian and global customers		This has been driven by a research function comprising 11 professionals
Cost leadership	OCCL is one of the most competitive insoluble sulphur players in the world	OCCL enhanced capacity at well below the prevailing capital cost per tonne compared with greenfield costs	OCCL's cost moderation projects helped reduce its break-even point
Supplier of choice	OCCL's proprietary technology resulted in superior and customised products	The Company positioned itself as an insoluble sulphur specialist capable of taking a customer's product ahead	The Company invested in adequate capacity and timely product delivery, strengthening service
Robust people practice	OCCL employed more than 450 people (full time and contractual) across its two manufacturing facilities.	OCCL's people engagement is marked by delegation, empowerment, responsibility and accountability.	OCCL's workplace is marked by training, engagement, appraisal transparency, reward and performance
Responsible corporate citizenship	OCCL is engaged in clean manufacturing processes and community development	OCCL invested ₹185 Lakh across CSR activities in FY 21-22	
Value-creation	OCCL enhances value through the manufacture of a technology-intensive product	OCCL's operations are integrated (steam generated from sulphuric acid plant being used in the manufacture of insoluble sulphur)	OCCL enhances value through superior production processes with narrow quality tolerance limits delivered consistently

		Material issues /addressed	Capitals impacted
		Identification, deployment and stabilisation of the right technology for product differentiation	Manufacturing, Intellectual, Financial
The Company reported ₹9.62 Crore of treasury income in FY 22		Countering inflation, superior process control and investment in alternative fuels are critical for cost efficiency	Financial, Intellectual, Natural, Social and Relationship
90% of FY 21-22 revenues were derived from customers of five years or more		Establishing trust through superior products and processes leading to customised solutions for customers	Intellectual, Manufacturing, Social and Relationship
The OCCL culture is one of innovation (process and product)		Creating a professional and passionate culture seeking excellence in everything the Company does, strengthening talent attraction and retention	Intellectual, Human
		Engaging in value-enhancing community projects that address ground level needs	Social and Relationship, Natural
OCCL's business is driven through optimised debt-equity position, while maximising returns from treasury operations	OCCL proposed a demerger and the enunciation of a dividend payout policy	Addressing the various needs of stakeholders, enhancing the company's relevance	Intellectual, Manufacturing, Social and Relationship

The Capitals we enhanced: Outcomes

Our resources

Financial capital	The financial resources are funds we mobilise from investors, banks and financial institutions in the form of debt, net worth or accruals.
Manufactured capital	Our manufacturing assets, technologies and equipment for production constitute our manufactured capital. The logistics for the transfer of raw materials and finished products are integral to our manufacturing competence.
Human capital	Our management, employees and contract workers form a part of our workforce and their experience and competence.
Intellectual capital	Our focus on cost optimisation and operational excellence, as well as our repository of proprietary knowledge account for our intellectual resources.
Natural capital	We depend on raw materials sourced from nature, indicating a moderate impact on the natural environment.
Social and relationship capital	Our relationships with communities and partners (vendors, suppliers and customers) influence our role as a responsible corporate citizen.

Value created in FY 21-22

Turnover
₹**39,390** Lakh

Earnings per share
₹**40**

ROCE
8%

Number of employees
418

Total remuneration
₹**4,571** Lakh

Cumulative senior management experience more than **137** person-years

Status of company in India's organised insoluble sulphur sector only manufacturer

Sourced materials from suppliers
₹23,290 Lakh

Revenues from customers
₹37,814 Lakh

Paid to the exchequer
₹951 Lakh

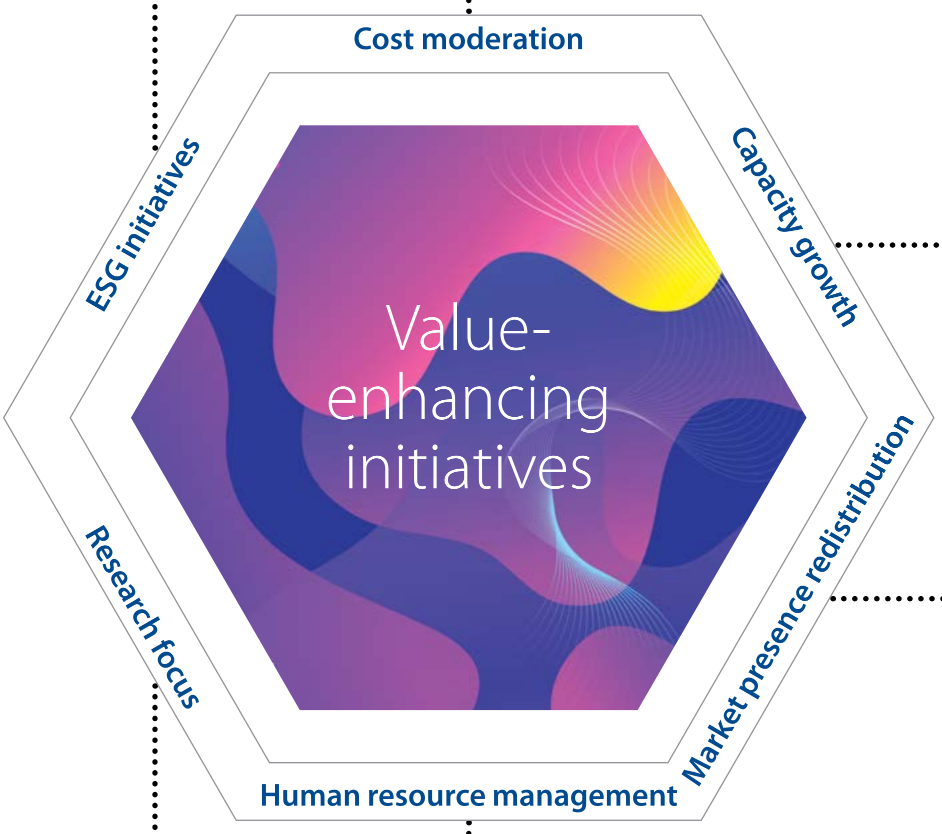
How we intend to enhance shareholder value across the foreseeable future

Strategic overview

Over the years, we attempted to maximise RoCE through a combination of the following strategies:

Increased output leading to higher revenues, superior coverage of fixed costs and stronger service. This has helped the company retain customers and enhance revenue visibility	Moderated costs leading to an adequate surplus is available for reinvestment, distribution among shareholders and kept aside for growing the business in the future	Invested in research-driven value-addition, widening margins, enhancing the surplus and leading to a better valuation on the stock exchanges
Tightened working capital management, enhancing cash flows, moderating debt and strengthening margins	Optimising debt and borrowing costs	Invested in down cycles at a relatively low capital cost per tonne (lower than greenfield costs)

Serviced the needs of large marquee customers with capacity expansion programmes


Cost moderation
Capacity growth
Market presence redistribution
Human resource management
Research focus
ESG initiatives
Value-enhancing initiatives

Capacity growth

Sustained capacity expansion through the pandemic; capitalised on better terms

First phase of the two-phased expansion at Dharuhera completed during the year under review.

Access to power, zero liquid discharge plant, centralised utility and backward integration expansion to enhance opportunity-readiness

Contrarian expansion to enhance opportunity-readiness

Result: Desired increase in global market share

Cost moderation

Institutionalised an exercise to moderate fixed costs

Zero-based budgeting of every major expenditure head

Examined every process to identify waste and redundancy

Questioned every practice with the objective to do better

Thrifty capital expenditure for capacity expansion

Expanded capacity with the same number of professionals

Result: Moderated break-even point

ESG recall

Deepened the ESG ethic across operating teams

Deepened environment compliance; moderated resource consumption

Enhanced installed capacity at a lower average input cost

Moderated water consumption

Switched to the use of natural gas in Mundra

Installed rooftop solar power at both plants

Accredited with Responsible Care logo and Eco Vadis Gold

Recharged water wells in villages proximate to manufacturing facilities

Result: Enhanced credibility among customers for responsible citizenship

Market presence redistribution

Global insoluble sulphur demand generally growing 2-3% a year

No additional capacity likely beyond this point across the foreseeable future

OCCL intending to grow in untapped geographies such as North America

OCCL to increase global market share from 10% to 12%

OCCL to protect share from Indian revenues at 60%

Result: A broadbased global presence

Talent management

OCCL providing a platform, empowering people to do different things

Created a platform to enhance production per employee

Keep people cost as a % of revenues at around 12% in FY 21-22

Introduced new Performance Management System

Enhanced specialisation and succession planning

Reallocated existing employees across new manufacturing lines

Result: Deepened an all-rounded approach to address the challenges of the future

Research focus

Development of products that generate superior productivity for customers

Sustained research spending through the pandemic and slowdown

Increased recruitment of specialised research professionals

Full-fledged research laboratory commissioned in FY 21-22

Result: To catalyse the development of specialised insoluble sulphur grades

Business sustainability

OCCL's 5P Sustainability Platform

People. Product. Process. Profit. Planet.

Overview

In an unpredictable world, preparedness comes from being ahead of the capacity, quality and environment curve. At OCCL, this has been ensured through a complement of People, Product, Process, Profit and Planet considerations in business. The result: OCCL strengthened competitiveness across market cycles, growing through every downturn and emerging as one of the most respected insoluble sulphur manufacturers in the world.

The 5 P's overview

- The 5P's of OCCL represent a platform for business sustainability
- The Company has invested in a structured manner in these sustainability drivers
- This structured approach has deepened competitiveness across market cycles
- This is intended to protect the company during troughs and maximise profitability during rebounds
- The Company is one of the most respected in the global insoluble sulphur industry
- The Company's resilience has been reinforced by proactive investments in the 5 P's.

Sustainability

People

Among the best insoluble sulphur specialists in the world

Recruitment of professionals and subject matter experts

Plugged organisational gaps and strengthened succession planning across functions

Increased resource productivity; driven by outperformance

Driven by passion and youthfulness

Deepened respect as a research-driven company using proprietary capabilities

Product

Diamond Sulf a recognised and respected name

Technology available with only few global companies

Focus on enhancing the quality of downstream products

Products manufactured around the highest quality and environment compliance

Ability to customise products around the most demanding technical specifications

Invested in modern research infrastructure; recruited R&D professionals

Launching joint technical projects with customers

Process

Committed process innovator to make quicker, better and leaner

Sustained research investments

Moderated costs in the last few years

Investment in a DSIR-approved research facility

Recruited of specialised R&D professionals

Perpetually engaged in value engineering

Profit

Strong Diamond Sulf brand; generated repeat customer engagement

Strong receivables control

Multi-year customers

Optimised debt costs

Attractive cash corpus of ₹11,259 Lakh (31st March, 2022), an adequate buffer in a VUCA world

Planet

Enunciated Environment Policy

Moderated carbon footprint

Investments in 5P's (recycling, replace, reuse, renewables and reduction)

Investment in cutting-edge technologies

Preference for cleaner fuels, plants, resources and processes

Responsible Care and Eco Vadis Gold certifications

A responsible ESG approach is integral to OCCL

Overview

At OCCL, a framework of environment-social-governance (ESG) represents the heart of our business.

The environment component addresses the priority for businesses to utilise environmentally responsible resources, consume an optimal quantum, recycle waste, moderate use of finite fossil fuels, build resistance to climate change and moderate the carbon footprint.

The social component invests in people, organisational culture, customer relationships and social responsibility.

The governance component enunciates how we will conduct business. It enunciates strategic clarity, ethical values, codes, Board composition and alignment with UNGC principles, evoking a responsible expectation across stakeholders.

The coming together of environment, social and governance represents a platform for sustainable long-term growth.

OCCL has been prioritising investments in ESG, strengthening holistic business growth, business quality, sustainability and respect. Investors are increasingly aligned through a desire to understand a company's long-term value creation plan and also receive credible, standardised information to support long-term risk assessment. The criteria are used by socially conscious investors and shareholders to screen investments and assess the company's impact on the world. They affect how the company gathers and retains funding from investment funds with a 'socially responsible' investment strategy.

A growing number of global manufacturers are recognising financial and environmental benefits from sustainable business practices. Besides, stringent environmental norms regulating agencies are helping reduce resource depletion, water scarcity, pollution and other harmful impacts.

The result of these realities is a greater emphasis on sustainable manufacture. This comprises the manufacture of products through economically sound processes that moderate the consumption of energy and natural resources while reducing negative environmental impact, in addition to enhancing employee, community and product safety.

Besides, there is a growing emphasis on aligning business existence with United Nations' 10 principles for manufacturing responsibility and environmental sustainability, covering Human Rights, Labour interests, Environment responsibility and Anti-Corruption initiatives.

OCCL's ESG priorities

Environment

- Reduction in GHG emissions (entire scope) -5%, FY 21-22
- Usage of surplus steam from sulphuric acid in IS plant
- Sustainable procurement
- Certification-compliant production
- Transitioned to zero liquid discharge
- Minimising wastages
- Reuse of treated wastewater
- Rainwater harvesting
- Environmental awareness/training, technology upgradation
- Sapling planting

Society

- Monitor/improve health safety
- Risk-based training programs
- Zero fatal accidents
- Safety of plant area inhabitants
- Rewards & recognition programme
- Donation and financial assistance

Governance

- Strong Board with respected Independent Directors
- 4 Independent Directors
- 2 women directors
- Effective Board Committee structures
- Effective strategic priorities
- Anti-Bribery Policy, Quality Policy and Sustainability Policy
- Whistle blower Policy/Vigil mechanism
- Sexual Harassment Policy
- Prohibition of Insider trading Policy

1. Our governance commitment

At OCCL, governance enhances organisational predictability, attracting like-minded stakeholders who also believe in doing business our way. Some principles of our governance commitment have been described in this section.

Focus: At OCCL, we have selected to specialise in insoluble sulphur instead of broadbasing our product mix. In doing so, we have deepened our competence and competitiveness translating into a comprehensive enhancement in value for all our stakeholders.

Long-term: At OCCL, we invest for the long-term over short-term arbitrage considerations. This preference has reflected in the recruitment of professionals, investments in technologies and building future-facing infrastructure (research).

Brand impact: At OCCL, we desire to be spoken of with respect. Our customers see us as a company that takes their businesses ahead through advanced and customised product quality; for our employees we provide an invigorating workplace; across the communities of our presence, we are seen as a company that utilises safe processes and enhances their prosperity through sensitive interventions; to our shareholders, we are seen as a globally competitive player that enhances value.

Board of Directors: At OCCL, our company is navigated by a competent Board of Directors. Our Board comprises individuals who have enriched our bandwidth, business understanding and strategic direction. Our Board comprises 4 Independent Directors, who can influence the Board from an outside-in perspective.

Global citizen: At OCCL, we are a global company operating out of India. This positioning is visible in our revenues (52% global, FY 21-22). Besides, this has reflected in a commitment to global best practices, integrity, global quality, global consultants and global technologies.

Integrity: At OCCL, we are committed to doing the right things the right way. This comprises a fair appraisal of talent, gender equality, intolerance for sexual harassment and ethical transgressions, fair bias-less recruitment, unbiased appraisal, respect for people dignity and environment preservation.

Stakeholder value: At OCCL, we are committed to enhance stakeholder value: we focus on enhanced customer competitiveness based on unmatched product quality; our employees derive pride, remuneration and career advancement; our investors must generate a superior return on employed capital over alternative opportunities; the community must benefit from our presence; the government must benefit through taxes, exports and livelihood creation; our vendors must benefit through stable outsourcing.

Controlled growth: At OCCL, we believe growth is sustainable only when controlled and calibrated. The Company allocated accruals in business investments without stretching the Balance Sheet. The result has been a deeper resilience; the Company has remained liquid and profitable across market cycles.

Process-driven: At OCCL, we have deepened investments in processes and systems. As an extension, a framework of checks and balances provide effective de-risking. We strengthened an audit-driven and compliance-driven approach, enhancing the credibility of our reported numbers.

Balanced approach: When faced with an accounting treatment that requires interpretation, we would rather take a conservative view so that our books are a faithful indication of what actually exists. When faced with market-facing initiatives we see our approach as opportunity-preparedness.

Culture of caution: At OCCL, we have shunned large debt on our books that could influence our strategic thinking away from the values we have cherished – of remaining a focused quality- and knowledge-driven player protecting Balance Sheet robustness. The Company has selected to invest accruals instead. As an extension, we address a global market growing in modest single-digits each year. If we expand aggressively, we would need to price below established players or nurse large unutilised capacity until a time that market growth caught up with our capacity. In view of this, we have selected to grow steadily by investing our accruals without disrupting and in the market .

Customer adjacency: At OCCL, we engage with customers through digital channels and physical visits. We have positioned our services as an extension of the customer's premises, strengthening relationships and share of the customer's wallet.

Big numbers

Employees

4395

₹ Lakh, investment in talent in FY 20-21

4571

₹ Lakh, investment in talent in FY 21-22

Customers

33,251

₹ Lakh, revenues from sales to customers in FY 20-21

37,816

₹ Lakh, revenues from sales to customers in FY 21-22

2. Our environment approach

OCCL focuses on consuming less and manufacturing more while minimising environment impact. It is the Group's conviction that the most successful, profitable and sustainable companies are benchmarked around stringent environmental standards.

OCCL has progressively produced insoluble sulphur through 'greener' alternatives. It invested in low-carbon technologies that translated into enhanced resource and energy efficiency. It invested in renewable energy, reducing its carbon footprint. The risk mitigation policies were outlined keeping in mind its long-term vision on the one hand and enhanced sustainability-driven prosperity on the other. In doing so, the company focused on the reduction of its environmental footprint, planet preservation and moderated resource consumption through a proactive investment in the use of modern technologies, replenishment projects, practices, methodologies and standards.

At OCCL, we emphasise manufacturing scalability without depleting finite natural resources. This environment responsibility was reinforced through the various R's comprising reduction, recycling, restoration, replacement and renewables. There is a commitment to reduce energy intensity, reduce greenhouse as emission intensity, invest in efficient processes and graduate to cleaner fuels. The company invested in zero unutilised effluent discharge, moderated water consumption intensity and turned to natural gas in its Mundra plant.

At OCCL, there is a commitment to environmental management systems, due diligence, disaster and response systems across our manufacturing facilities. This day-to-day environment management has been delegated to professionals.

The Company invested in processes and systems, especially information technology. Besides, it reported its environment performance to relevant stakeholders. Its environment performance was benchmarked to targets, accountability and responsibility, making it as critical a function as the other conventional business functions.

3. Social

At OCCL, our business continuity is reinforced through a passionate complement of stakeholders (employees, vendors and community).

Employees: At OCCL, we have invested in a culture of overarching excellence with the objective to emerge as a benchmark in terms of quality (product and process) and resource productivity. The Company made talent investments (recruitment, retention and training) to enhance efficiency and effectiveness. The Company invested in practices that enhanced safety – training, protocols, certifications, investments and awareness-building.

Customers and vendors: The Company deepened relationships with vendors (who provided capital equipment and spares) and customers.

Community: The Company engaged with the community around its manufacturing location with the objective of its betterment and providing opportunities through relevant interventions in the area of education, water rejuvenation, health, nutrition, housing and shelter, sanitation and community infrastructure in line with United Nations' Sustainable Development Goals.

Vendors

14,702
₹ Lakh, quantum of outsourcing from vendors in FY 20-21

23,290
₹ Lakh, quantum of outsourcing from vendors in FY 21-22

Community

175
₹ Lakh, investment in CSR in FY 20-21

185
₹ Lakh, investment in CSR in FY 21-22

The soul of OCCL

Employees relate their first-hand experiences of working at OCCL

"In the last six months, we commissioned our expansion in Dharuhera comprising two new plants (insoluble sulphur and sulphuric acid), which increased our sales volume. This was the accompanied by an investment in research & development to enhance product quality that deepened our respect among peers."

Narinder Singh Walia,
Senior General Manager

"An employee who joined as a helper in the manufacturing function was given an opportunity to study the boiler during his off-duty hours and was eventually transferred to the engineering department. He retired after 28 years and is an instance of how a commitment to personal and professional growth makes people extend beyond their known capability."

Ranjith A V,
DGM Engineering (Dharuhera Plant), OCCL

"I joined OCCL in 2004 but left in 2008; then re-joined in 2011 but left in 2016; re-joined the next year and have no plans to leave. The belongingness keeps me motivated as be a part of OCCL. For instance, when I was affected by Covid, the Managing Director would personally call to check on my health."

Rajneesh Kumar Dhiman,
Deputy General Manager (Sales & Marketing)

"For two months during the first wave of the pandemic, we generated no sales, but with careful planning we not only sustained, but generated the highest sales during the second wave. This reflects the passion of the company to outperform, which is a consistent feature across organisational roles and functions."

Mukesh Mittal,
Deputy Manager (Marketing)

"My mother was admitted to the hospital with serious health issues. Even though I was a new employee at that time, the company gave me a month off to look after my mother. This demonstrates the humane side of the organisation, which has resulted in a high people retention."

Hanish Mehra,
Manager (Accounts and finance)

"A combination of competent management, invigorating culture, timely promotion and fair financial reward have set OCCL apart from its peers."

Naresh Thapa,
Deputy Manager, Purchase, OCCL.

"We inaugurated a new 3500 sq ft R&D laboratory in January 2022. We introduced a product named Vulcamax, used in vulcanisation, February 2022. This launch was in direct competition with the market leader and more environmentally sustainable in outcome. This has strengthened our brand as a responsible company."

Rahul Garg,
General Manager, R&D

"Two years ago, an employees suffered from a paralytic attack following which he couldn't continue working with us. Rather than just let him go, we offered his wife a job. My spouse is suffering from a kidney problem, for which the company allowed me work in a time-flexible manner. These are instances of how the company cares for its people."

Rajesh Kumar Verma,
Deputy General Manager, HR

"A colleague at the Mundra plant was promoted from Senior Manager to CFO in a subsidiary company, demonstrating that OCCL values merit over length of stay at the company. Besides, another colleague suffered heart failure and the company reimbursed his hospital expense without reducing his salary. These are the instances that convince me that I am working with the right company."

Mukesh Aggarwal,
Senior Manager (Accounts)

"The market is extremely dynamic. It demands we keep learning, or else we might lag behind... we are increasingly seen as becoming the trendsetters. There is something else that makes this company a great place to work in: seniors respond like mentors."

Sumeet Kasma,
General Manager (Procurement)

"What makes OCCL tick is that is a technically progressive company with process discipline. This explains how and why through a culture of extensive monitoring and reporting, we offset rising input costs and protected our sustainability."

Rahul Mehrotra,
Senior Manager (Production)

The big picture of our sector

Big picture: The market for personal mobility vehicles will keep growing. This market will grow on account of automobile scrapping, electric vehicles, increased aspirations and growing per capita incomes

Per capita use: India consumed 22 vehicles per 1000 individuals compared with a global average of 850 vehicles per 1000 of the population in USA (2018). (Source:ET)

There were around 225 registered vehicles for every thousand people across India in fiscal year 2019.

Income: The per capita income was estimated to have increased 16.28% from ₹1.27 Lakh in FY 20-21 to ₹1.50 Lakh in FY 21-22, creating a wider base for vehicle ownership in India

Pandemic impact: There is a traction towards personal vehicle ownership following the pandemic, which moderated the use of public transport

Global growth: The global automobile market is anticipated to grow at a CAGR of 3.71% from 2020-2030; the global tyre industry is expected to sustain 3-4% annual growth (Source: Forbes, researchandmarkets)

Radialisation: Radialisation is a growing global trend on account of better mileage and fuel efficiency

Aggressive forecast: The Indian automotive industry aspires to nearly triple vehicle sales by 2026, from 26 Million to 76 Million vehicles, across segments.

Vast headroom: The Indian automotive sector's revenues as a proportion of the global sectorial turnover was an estimated 28.95% in FY 22, leaving a vast growth opportunity (Source: investing.gov.in, acea.auto)

Anti-dumping duty: India imposed an anti-dumping duty on the import of certain Chinese radial tyres used in buses and trucks for five years.

Approval process: Tyre manufacturers have demanding quality processes of new vendor engagement, which is a high entry barrier for existing players

Technology: The technology to manufacture insoluble sulphur is available with only a handful of companies, moderating new competition

Capital-intensive: The insoluble sulphur business is capital-intensive; capital: turnover ratio of 1:1 is a disincentive for new players to enter the business

The strengths that OCCL brings to the global space

Brand: OCCL stands for a comprehensive dependability for all stakeholders, resulting in an access to growth resources (talent, funds, materials and relationships etc.). Nearly 90% of OCCL revenues are derived from customers of five years or more

Scale: OCCL is among the five largest insoluble sulphur manufacturers in the world and the largest manufacturer in India. OCCL has focused on the manufacture of insoluble sulphur (and relatively less on sulphuric acid and engineering products) for more than two decades

Discipline: OCCL re-invested accruals in capacity expansion and utilised the prevailing infrastructure to expand at a relatively low capital cost per tonne, making it one of the most competitive global manufacturers.

Commitment: OCCL has consistently expanded its manufacturing capacity on the basis of growth plans drawn up by its customers. OCCL is engaged in 'sell-and-make' over 'make-to-stock', moderating finished goods inventory

Locations: OCCL's manufacturing operations are located across two Indian locations (port-based Mundra and market-proximate Dharuhera); OCCL has grown manufacturing capacities across the last decade largely in Mundra SEZ, enjoying cost advantages on the one hand and port-based access on the other; the Mundra plant inside an SEZ attracts tax exemptions. Besides, the Company's revenues are spread across India (one of the fastest growing major economies) and the world.

Systems-driven: OCCL's combination comprises promoter-directed and professional-managed capabilities in a systems-driven environment

Portfolio: OCCL manufactures various grades to address demanding compounding requirements of leading tyre manufacturers as well as the ongoing development of new grades to meet evolving customer requirements.

Knowledge: OCCL developed a proprietary knowledge (not depending on external technology providers) to manufacture insoluble sulphur, deepening its understanding

Promoter's holding: OCCL's promoters own 51.7% equity stake, enhancing entrepreneurial skin in the game

Relationships: OCCL's relationships have been built and nurtured based on trust, service, open communication and customer-centricity.

Sustainability: OCCL's ESG commitment has enhanced its respect as a responsible corporate citizen.

Agents: OCCL established a network of agents in all major markets leading to better service and responsiveness

Customer approvals: OCCL's revenue visibility is derived from plants approved and audited by most large tyre manufacturers (Indian and multi-national), a competitive advantage. The Company services the needs of institutional clients who possess liquidity; the Company has not suffered payment defaults on its books.

Our principal priorities

Customer-centricity | Competitive pricing | Quick response time
Proficient planning | On-time deliveries | Sustainability

Our marketing competence

Overview

OCCL is the one of the largest global manufacturers of insoluble sulphur, enjoying about 10% of the global market share and around 55-60% share of the domestic market.

The Company is a preferred supplier for 40 leading global tyre brands including Continental, Bridgestone, Goodyear, Sumitomo, Nokian, Nexen, Hankook, Cooper, Yokohama, Pirelli Apollo, MRF, Ceat , JK Tyre and BKT, among others.

Over the years, the company enhanced its scale to emerge as one of the most competitive insoluble sulphur providers through a combination of timely delivery, consistent quality and customer proximity. The result is that more than 90% of the company's revenues were derived from customers of five years or more in FY 2022.

During the year under review, Europe and India were the two major markets of the company, accounting for more than 65% of the Company's insoluble sulphur revenues. Over the years, the Company focused on reducing its dependence on Europe (where the market has been flat) in favour of growing markets like US, Latin America and South East Asia.

In response to a rising quality emphasis, the Company works closely with customers to develop specialised products, widening its product range and strengthening its share of revenues derived from premium products.

Strengths

Scale: The Company is among the largest insoluble sulphur manufacturers in the world, resulting in economies of scale (manufacturing, focused cost coverage and procurement).

Best practices: The Company follows a defined quality management system; it was certified for IATF 16949, ISO 9001, ISO 14001, ISO 45001, and periodically audited by auditors and customers. The Company's product is also EU REACH-registered.

Entry barrier: It is not easy for an insoluble sulphur manufacturer to get product approval from tyre companies and yet, the company's products have been approved by more than 40 customers worldwide.

Local: In an endeavor to provide local supplies/just-in-time deliveries and better services to global customers, the company has made arrangements for warehouses and partnered third-party logistics service providers.

Flexible: The Company is among handful manufacturers with flexible manufacturing facilities, helping deliver to clients required quantity and quality.

Value-added: The Company has been working collaboratively with tyre manufacturing companies to develop new value-added grades. OCCL added a new grade (DS Vulcamax) during the last financial year, aligned with evolving needs of the tyre industry.

Highlights, FY 21-22

- OCCL reported 14% revenue growth in spite of major economies facing the effects of Covid 19 and shipping disruptions.
- OCCL added 14 customers
- OCCL increased the share of value-added products to more than 40%
- OCCL strengthened product dispersal to increase efficiency, reduce manufacturing cycle time and moderate energy costs

Road ahead

With the tyre industry expected to report stronger offtake on the back of a rise in global incomes, the Company is poised for sustained growth.

The value we deliver to customers

- Customised product
- Inventory management
- Just-in-time delivery
- Adequate availability
- Superior material quality
- Long-term partnerships
- Product co-development
- Business sustainability
- Compelling price-value proposition

Our manufacturing competence

Overview

OCCL primarily addresses the market for tyres, which is perpetually demanding enhanced quality, putting a premium on the need to manufacture insoluble sulphur around the highest manufacturing discipline. Besides, the Company's various customers possess their own proprietary standards, making it imperative to customise the core product around specific needs.

During the year under review, company focused majorly on sustainability, quality improvement, cost reduction, environment and safety. As a validation of the positive outcomes, the company was awarded the Gold category in assessment by the reputed international agency EcoVadis. The Company was accredited with the Responsible Care logo by the Indian Chemical Council for three years up to March 2025, a validation of its sustainability, ethos and credentials. The Company received two awards from customers related to environment sustainability.

Our EHS record

0	0	0	0	0
Number of customer health/ safety issues	Number of human rights issue (including child/forced labour/ Human trafficking)	Number of incidents resulting in lost time injury (LTI)	Number of incidents environmental accidents in plants	Number of information security incidents

Strengths

The Company's principal manufacturing strengths comprise the following:

Knowledge: The Company possesses a deep proprietary insight into the manufacturing technology of insoluble sulphur that makes it independent of external technology dependence

Robust processes: The Company has established robust processes, marked by high uptime, productivity and adaptability to different quality requirements

Standards: The Company has demonstrated a commitment to continuous shopfloor-driven improvements in the manufacturing process, resulting in improving efficiency (higher quality, lower costs, quality consistency, superior asset utilisation and increased worker productivity)

Supportive culture: The culture of manufacturing excellence is the result of a combination of support from site management and shopfloor competencies backed by to continuous improvement.

Engagement: The Company continues to engage with respected global faculty members and academic bodies, deepening its understanding of sulphur and applications.

Achievements, FY 21-22

The Company strengthened product quality through a robust technical solution, deepened its training, implemented in-house proprietary test processes, graduated the end product in line with the best global standards, implemented a number of kaizens involving shopfloor members with a focus on enhanced safety, quality improvement and cost optimisation (focusing on utilities and resources). The Company shifted from liquid fuel to gas, installed roof top solar and started the use of bio fuels. It also invested in various projects to reduce its carbon footprint.

Awards and recognition

- Apollo Sustainability Award 2021 (Global Partnership Summit) by Apollo Tyres Ltd.
- CEAT Sustainability Award
- Responsible Care logo

HSE initiatives

- Various energy-saving projects to reduce GHG emissions
- Greenhouse gas inventory maintained and updated
- 17 SDGs added in suppliers' Code of Conduct to include as a goal (as applicable)
- Materiality analysis conducted by DQS India to identify indicators
- Propane use commenced in Mundra
- Sustainability assessment done for major suppliers

Outlook

The Company completed an expansion in its Dharuhera plant, increasing capacity by 5500 MTPA of insoluble sulphur and 42,000 MTPA of sulphuric acid. The Company strengthened its R&D facility with investments in equipment and technical talent.

OCCL's growing research emphasis

At OCCL, we are in the manufacture of product that is quality-critical to the performance of tyres and rubber products. The superiority of our product enhances the integrity of the end product, minimising scrap rejection

How OCCL responded to the challenge of radialisation

As Indian road conditions improved and customers became more quality-demanding, a transition transpired in the country's tyre sector. An increasing number of brands graduated from the manufacture of conventional cross-ply tyres to the modern radial equivalent. When this transition happened a number of resource suppliers to cross-ply tyre manufacturers were required to evolve their product and improve quality. Manufacturers of insoluble sulphur, intending to service the emerging needs of radial tyre manufacturers, needed to do the same.

At OCCL, we responded positively to the challenge. Our research team strengthened their capability. Our manufacturing team modified the product process. Our marketing team showcased our product to global and Indian brands. The result is that our insoluble sulphur product is now preferred and trusted the world over.

Our experienced management team

Mr J. P. Goenka
Promoter & Chairman

Graduate from Kolkata University. Industrialist associated with the renowned multi-industry group name of Duncan. Possesses rich experience across businesses like jute and cotton textiles, wool-tops, industrial explosives, rubber chemicals and engineering products

Mr Arvind Goenka
Promoter & Managing Director

Commerce graduate from Kolkata University. Possesses 36 years of experience in managing jute, lubricants and carbon black business with an expertise in finance and international marketing. Responsible for long-term goal setting and progress monitoring

Mr Akshat Goenka
Promoter & Joint Managing Director

Graduate in Economics & International Relations from University of Pennsylvania, USA. He is also alumnus of Harvard Business School. Led the team for commissioning new plants for the manufacture of insoluble sulphur at SEZ Mundra and Dharuhera .

Mr Anurag Jain
Chief Financial Officer

Been with the Company for 31 years. Brings dynamism to financial and commercial operations. Played an active role in the company's growth and restructuring

Mr Vijay Sabbarwal
President (Operations)

He is an IIT graduate heading the Operations of the company from 2014. Has over 31 years of experience in diverse Industrial segments like chemicals, FMCG, consumer durables and automobiles etc.

Mr Muneesh Batta
Vice President (Marketing)

An M.B.A (International Business) with over 28 years of experience in International business. Responsible for marketing of insoluble sulphur and increasing market share of Diamond Sulf the global

Management discussion and analysis

Global economic overview

The global economy grew an estimated 5.9% in 2021 compared to a de-growth of 3.3% in 2020. This improvement was largely due to increased vaccination rollout the world over and a revival in economic activity based on catch-up consumption.

The global economic recovery is attributed to accelerated vaccine rollout across 4.4 Billion people, around 56% of the global population (single dose). The spot price of Brent crude oil increased 53.34% from USD 50.37 per barrel at the beginning of 2021 to USD 77.24 per barrel at the end of the calendar year, strengthening the performance of oil exporting countries and moderating growth in importing nations. Global FDI reported an increase from USD929 Billion in 2020 to an estimated USD1.65 trillion in 2021.

The global economy was affected by prohibitive shipping freight rates, a shortage of shipping containers and semiconductor chips in 2021, affecting global economic recovery. Inflation was at its highest since 2011, especially in the advanced economies, catalysed by a run up in commodity prices. Some emerging and developing economies were positioned to withdraw policy support to contain inflation even as the economic recovery was still incomplete.

The prominent feature of the global economic activity during the year under review was a sharp revival in commodity prices to record levels following the drop at the time of pandemic outbreak. The commodities that reported a sharp increase in prices comprised steel, coal, oil, copper, foodgrains, fertilisers and gold.

The global economy is projected to grow at a modest 2.6% in 2022 following the Russia-Ukraine crisis. A higher interest rate environment could affect emerging markets and developing economies with large foreign currency borrowings and external financing needs in 2022.

Regional growth (%)	2021	2020
World output	5.9	(3.3)
Advanced economies	5.0	(4.9)
Emerging and developing economies	6.3	(2.4)

(Source: IMF, World Bank, UNCTAD)

Indian economic overview

The Indian economy reported an attractive recovery in FY 21-22, its GDP rebounding from a de-growth of 7.3% in FY 20-21 to a growth of 8.7% in FY 21-22. Its economic growth rate was the fastest among major economies (save China), its market size at around 1.40 Billion the second most populous in the world and its rural under-consumed population arguably the largest in the world.

Y-o-Y growth of the Indian economy

	FY19	FY20	FY21	FY22
Real GDP growth (%)	6.1	4.2	(7.3)	8.7

E: Estimated by National Statistics Office

Growth of the Indian economy, FY 21-22

	Q1, FY22	Q2, FY22	Q3, FY22	Q4, FY22
Real GDP growth (%)	20.1	8.4	5.4	4.1

The Indian economy was affected by the second wave of the pandemic that affected economic growth towards the fag end of the previous financial year and across the first quarter of the financial year under review. Even then, after a growth of 1.6% in the last quarter of FY 20-21, the Indian economy grew 20.1% in the first quarter of FY 21-22 due to the degrowth in economy during the corresponding period of the previous year.

India received 99.32% of a normal monsoon in 20-21. Based on the spatial and temporal distribution of the 2021 monsoon rainfall, the agricultural gross value added (GVA) growth in FY22 is anticipated to be 3-3.5%. The country's manufacturing sector grew an estimated 12.5%, the agriculture sector 3.9%, mining and quarrying by 14.3%, construction by 10.7% and electricity, gas and water supply by 8.5% in FY 21-22.

There were positive features of the Indian economy during the year under review.

India's currency weakened 3.59% from ₹73.28 to ₹75.91 to a US dollar through FY 22. The consumer price index (CPI) of India stood at an estimated 5.3% in FY 21-22. India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of FY 21-22 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy. The country recorded its all-time highest GST collections in March 2022 at ₹1.42 Lakh Crore, which is 15% higher than the corresponding period in 2021.

India's tax collections increased to a record ₹27.07 Lakh Crore in FY 21-22 compared with a budget estimate of ₹22.17 Lakh Crore. While direct taxes increased 49%, indirect tax collections increased 30%. The tax-to-GDP ratio jumped from 10.3% in FY21-22 to 11.7% in FY22, the highest since 1999.

India's per capita income was estimated to have increased from ₹1.27 Lakh in FY 20-21 to ₹1.50 Lakh in FY 21-22 following a relaxation in lockdowns and increased vaccine rollout.

Retail inflation in March spiked to a 17-month high at 6.95% above the RBI's tolerance level of 6%.

(Source: Economic Times, IMF, World Bank, EIU, Business Standard, McKinsey, SANDRP, Times of India, Livemint, InvestIndia.org, Indian Express, NDTV, Asian Development Bank)

Indian economic reforms and Budget 2022-23 provisions

The Budget 2022-23 seeks to lay the foundation of the Indian economy over the 'Amrit Kaal' period of the next 25 years leading to 100 years of independence in 2047. The government is emphasising the role of PM GatiShakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments.

The capital expenditure target of the Indian government expanded by 35.4% from ₹5.54 Lakh Crore to ₹7.50 Lakh Crore. The effective capital expenditure for FY23 is seen at ₹10.7 Lakh Crore. A boost was provided to India's electric vehicle policy 'Scheme for Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicle in India'. An announcement of nearly ₹20,000 Crore was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An expansion of 25,000 Km was initiated for 2022-23 for the national highways network.

Outlook

The Indian economy is projected to grow by 7% in FY23, buoyed by tailwinds of consistent agricultural performance, flattening of the COVID-19 infection curve, increase in government spending, favourable reforms and an efficient roll-out of the vaccine leading to a revival in economic activity.

Across the next three years, capital expenditure in core sectors - cement, metal, oil refining and power - should be about ₹5 trillion. Besides, the government's production linked incentives (PLI)–led capex should generate an incremental ₹1.4 trillion in sectors like consumer durables, pharmaceuticals and automobiles.

Speciality chemical sector

Global speciality chemicals industry

The global chemicals market is expected to grow from USD 4,241.18 Billion in 2021 to USD 4,620.17 Billion in 2022 at an 8.9% CAGR, of which 20% is accounted for by specialty chemicals, marked by extensive product R&D and innovation, low quantities, higher value and greater influence on the performance of the end-product.

The global specialty chemicals market is projected to grow from USD 641.2 Billion in 2021 to USD882.6 Billion in 2028 at a CAGR of 4.7% between 2021 and 2028. With a significant transition in the manufacturing of specialty chemicals from EU and North America to Asia.

India's chemicals industry, which stood at USD 180 Billion in 2019, represents one of the bright spots within the Indian manufacturing sector. India's specialty chemicals market is expected to grow to USD 40 Billion by 2025 from 28 Billion in 2018, becoming the fastest growing major specialty chemicals market in the world. According to CRISIL, the Indian specialty chemicals industry will surpass its Chinese counterpart and double its share in the global market from 3-4% in FY 20-21 to 6% by 2026

India is emerging as an increasingly significant player in the global chemical supply chain, marked by scalable and competitive manufacturing ecosystem, strengthening ESG infrastructure and compliance framework.

Besides, global supply chains increasingly seek stable sourcing arrangements outside China to reduce their excessive one-country dependence. This presents Indian companies with core R&D expertise, scale and ability to offer products at attractive costs and grow significantly. (Source: IBEF)

The insoluble sulphur Industry

Insoluble sulphur is the polymeric form of sulphur, which has the property of being insoluble in all known solvents and rubber. It is the preferred agent for vulcanisation in the tyre industry. It prevents the blooming of rubber, scorching of bin and ensures uniform dispersion.

The insoluble sulphur market is anticipated to grow between 2021 and 2025 at a CAGR of about 3%.With increase in on-road vehicles, the demand for tyre replacements has risen, strengthening the market for insoluble sulphur.

1.20% Growth in global insoluble sulphur market, 2021

48% Growth in APAC insoluble sulphur market

(Source: PR Newswire, Grandviewresearch)

Sectorial optimism

The Indian specialty chemicals industry was estimated at USD 64 Billion by 2025, accounting for 16% of the global market, indicating attractive headroom for the sector.

India is gradually emerging as a major player in the global chemicals supply chain with a low-cost manufacturing ecosystem on account of its strengthening infrastructure and ESG compliance. The country offers the benefits of a low cost of operations, availability of feedstock, trained talent, port access and strong intellectual property protection. Besides, Indian labour costs are emerging more competitive over China, strengthening India's position within the global sector.

Global supply chains are increasingly seeking stable sourcing arrangements outside China to reduce their dependence on that country, strengthening India's case to carve away a share of exports from China. India's share in the global specialty chemicals market is anticipated to double to USD 64 Billion by 2025. (Source: Forbes, Indianchemicalnews)

Tyre market growth

In 2020, the global tyre demand was an approximate 3,378.96 Million units, growing at a CAGR of 4% between 2016 and 2020. The market is anticipated to grow at a CAGR of 4%, attaining a volume of 4,111.02 Million units by 2026.

The increase in demand in the Asian market is expected to drive the global tyre industry, marked by competitive production costs and lower natural rubber content (more synthetic rubber content). Besides, the radial tyre segment is growing faster due to benefits of lower transverse slip, greater power transfer, fuel consumption reduction, lower ground damage and higher vehicle efficiency (Source: Expert Market Research).

Global tyre industry

Tyre production (Million units)

Year	2006	2011	2016	2021	2027
Production (Million units)	1,431	1,691	1,788	2,268	2,665 (E)

(Source: expertmarketresearch.com, IMARC group)

Natural rubber consumption by the tyre industry ('000 Tonnes)

Year	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21
Consumption ('000 Tonnes)	707,335	772,162	864,022	756,265	780,588

(Source: Statista)

Insoluble sulphur demand ('000 Tonnes)

Year	Quantity demanded in ('000 Tonnes)
2006	178
2011	227
2012	228
2013	236
2014	250
2015	264
2016	258
2021	273
2022	295 (Est)

(Source: expertmarketresearch.com, IMARC group)

Indicative insoluble sulphur demand forecast by region

Asia excluding China	29%
China	31%
North America	14%
Europe	16%
Other	10%

(Source: expertmarketresearch.com, IMARC group)

Radialisation effect

Year	2009	2014	2019
Insoluble sulphur-to-tyre rubber ratio	1.29	1.316	1.39

(Source: Notch report)

Indian tyre industry and growth drivers

While the industry revenues are supported by stable demand from the replacement and export segments, earnings of manufacturers have been affected by increased input prices.

On the basis of vehicle type, the tyre market is categorised into heavy commercial vehicles, passenger cars, two-wheelers and light commercial vehicles. The growth in the Indian tyre sector is driven through the following realities:

Growing automobile industry: The Indian automobile industry is the fourth largest in the world and expected to become the third largest by 2026. Total vehicle sales stood at 1,75,13,596 units in FY 21-22. Sales of commercial vehicles increased by 26%. (Source: auto. economictimes, SIAM)

Rising incomes: India's GDP growth was an estimated 8.7% in FY 21-22. The per capita income of the country was estimated at ₹1.50 Lakh in FY 21-22 as against ₹1.27 Lakh in FY 21-22. Rising levels of income could result in increased consumption. (Source: Business Standard, economictimes.indiatimes)

Radialisation of commercial vehicle tyres: The radial tyre is increasingly being preferred as it consumes less fuel and ensures longevity.

Safety awareness: Rising awareness makes it imperative to produce safer world-class tyres. Tyre customers have turned increasingly demanding, prompting producers to work with credible suppliers of insoluble sulphur.

Competition: Increased competition is driving tyre companies to launch better products.

Increasing roads and highways: India has the second largest road network in the world with a span of 5.89 Million Km. More than 64.5% of the goods in the country are transported through roads, while 90% of the total passenger traffic uses the road network for travel. Road freight movement is anticipated to increase, strengthening the offtake of commercial vehicles. (Source: IBEF.org)

Increase in tyre exports: The trend of shifting production out of China, along with a competitive and conducive environment, is making India a preferred global supplier of tyres.

Opportunities and threats

Opportunities

- Tyre production is witnessing a shift to eco-friendly and lighter variants. This could increase the proportion of insoluble sulphur per tyre.
- India is rapidly becoming a hub of tyre exports, especially with global manufacturers seeking to broadbase purchases away from China.
- Increased radialisation of commercial vehicle tyres.

Threats

- Chinese manufacturers of Insoluble Sulphur are also targeting export markets.
- The Free Trade Agreement of India with other nations could impact domestic industries as there are higher concessions on the customs duty of finished tyres (though India imposed an anti-dumping duty on tyre imports from China).
- Impact on margins of a spike in commodity and freight costs.

Outlook

Domestic tyre demand is expected to grow at 7-9% for the period between FY22 and FY25. The global demand for insoluble sulphur is anticipated to grow at around 2.5 to 3% year-over-year between 2021 and 2025. The Indian demand for insoluble sulphur of 14,500 MTPA is expected to grow on account of increasing radial and high performance and safety tyres growth. (Source: Economic Times, Entrepreneurindia.co)

Sulphuric acid and oleum

Sulphuric acid, also known as 'oil of vitriol', a corrosive mineral acid, finds wide use in the chemical industry (in fertilisers, detergents and batteries). It helps catalyse and dehydrate petrochemical process and organic chemical manufacture. India is one of the largest consumers of sulphuric acid in the world. (Source: indianinfoline.com)

The global sulphuric acid market size is anticipated to reach USD 24 Billion by 2026, after growing at a CAGR of 4.4% during 2021-2026. The demand for sulphuric acid from the fertiliser industry is anticipated to rise due to good monsoons and a liberal subsidy on fertilisers declared by the Government of India. A steep rise in the international price of sulphuric acid on account of tight availability of feedstock sulphur ensures attractive realisations. Besides, the demand for oleum continues to be stable. (Source: Industryarc.com)

Risk management

Economy risk: The demand for insoluble sulphur may face a decline on account of a sustained economic slowdown.

Mitigation: Global growth is anticipated to continue in 2022 as Asia is expected to outperform the global average. Besides, growing radialisation is expected to enhance the offtake of insoluble sulphur. The global sulphur market is likely to grow at approximately 2.5 to 3% over the coming years. Increasing use of sulphur in tyres due to better quality will drive growth of the market. The Indian automobile industry, currently the fourth largest in the world, is expected to record faster growth than the global average.

Measure: The Company enjoys stable relationships with large tyre companies the world over, enhancing revenue visibility.

Debt service risk: Inability of servicing debt on schedule may have a negative impact on the credit rating of the Company.

Mitigation: The Company follows a policy of maintaining conservative leverage.

Measure: The Company's gearing stood at 0.33 as on 31st March, 2022, while the interest coverage ratio declined from 16.23 in FY 20-21 to 10.67 in FY 21-22.

Employee risk: Disrupted industrial harmony may affect the retention of employees. The Company may be in a risk of underperformance due to lack of training and development of employees.

Mitigation: The Company implemented various policies covering recruitment, training, empowerment, job fulfillment and remuneration enhancing harmony of the industry. Moreover, the Company has a policy ensuring the skill sets of employees updated regularly through training to meet the needs of the Company. A programme has been put in place for training employees in new skills so that the changing requirements of the Company are met and employees are prepared for higher responsibilities.

Measure: The Company's employee strength stood at 418 as on 31st March, 2022, while the retention stood at 87%.

Product acceptance risk: The product quality of the Company may prove to be irregular in a demanding marketplace.

Mitigation: The Company enjoys approvals from the largest global tyre companies, effectively transforming one-off transactions into enduring relationships. Moreover, OCCL has a policy to continuously streamline processes ensuring a consistent delivery of quality.

Measure: Over 90% of the Company's revenues in FY 21-22 were derived from customers that have been associated for five years or more.

Geographic risk: An excessive dependence on a single location can have a negative effect on the Company's financials in the event of a revenue decline from that market.

Mitigation: OCCL is serving customers in over 28 countries.

Measure: No country (except India) accounted for more than 10% of the Company's revenues in FY 21-22.

Financial overview

Analysis of the profit and loss statement

Revenues: Revenues from operations registered a 13% growth from ₹34,218.11 Lakh in FY 20-21 to ₹38,778.76 Lakh in FY 21-22. This included an Investment Income of ₹962.69 Lakh in FY 21-22 against ₹967.39 Lakh in FY 20-21.

Margins: EBITDA for the year was ₹8352.10 Lakh as against ₹12,397.84 Lakh in FY 20-21. EBITDA margin of the Company declined to 22% from 36% in FY 20-21. The net profit margin of the Company was ₹3,994.74 Lakh in FY 21-22 compared to ₹7,500.18 Lakh in FY 20-21. The margins for the year were impacted by an unprecedented increase in input costs.

Analysis of the Balance Sheet

Sources of funds: The capital employed by the Company increased to ₹68,944 Lakh as on 31st March,2022 from ₹67,876 Lakh as on 31st March, 2021 owing to internal accruals and term loans mobilised for capacity expansion.

The net worth of the Company increased 5% to ₹55,709 Lakh as on 31st March, 2022 from ₹53,255 Lakh as on 31st March, 2021.

Long-term debt of the Company Including Current Maturities was ₹13,611 Lakh as on 31st March, 2022 as compared to 13,758 Lakh as on 31st March, 2021 on account of balance disbursement of Term loans taken for Dharuhera Expansion. The long-term debt-equity ratio of the Company stood at 0.24 in FY 21-22 compared to 0.26 in FY 20-21 and total Debt-Equity ratio (including working capital borrowings) of the Company stood at 0.33 in FY 21-22 compared to 0.34 in FY 20-21.

Applications of funds: Fixed assets (gross) of the Company increased 10% from ₹61,982 Lakh as on 31st March, 2021 to ₹67,902 Lakh as on 31st March, 2022, including capital work in progress for expansion.

Working capital management: Total Current Assets of the Company decreased by 11% from ₹28,882 Lakh as on 31st March, 2021 to ₹25,604 Lakh as on 31st March, 2022. Current Assets included current investment and cash and bank balance of ₹11,259 Lakh in FY 21-22 compared to ₹15,485 Lakh in FY 20-21 due to the deployment of funds in to long term Investments.

Inventories, including raw materials, work-in-progress and finished goods, among others, increased to ₹5887 Lakh on 31st March, 2022 from ₹4,006 Lakh as on 31st March, 2021 due to higher costs. . Trade receivables as at 31st March, 2022 were ₹8,076 Lakh compared to ₹7,480 Lakh as at 31st March, 2021.

Key ratios and numbers

Particulars	FY 21-22	FY 20-21
EBITDA/ Turnover	21.5%	36.2%
Debtors/Turnover	4.86	4.66
Inventory/Turnover	2.72	2.13
Interest coverage ratio	10.67	16.23
Debt-equity ratio	0.33	0.34
Current ratio	1.8	2.6
Net profit margin (%)	10.14%	21.76%
Book value per share (₹)	557.64	533.07
Earnings per share (₹)	39.99	75.08
Return on net worth (%)	7.2%	14.1%

Risks management system

Risk, which is the manifestation of business uncertainty affecting corporate performance and prospects, is an integral part of business. The Company follows a defined and exhaustive risk management process, which is integrated with its operations. This enables the Company to identify, categorise and prioritise operational, financial and strategic business risks. To address the identified risks, the Company continues to spend significant time, effort and human resources to manage and mitigate such risks. The Company also has a Risk Management Committee to monitor likely risks to the business and a mitigation strategy.

Internal control systems and their adequacy

The Company has adequate internal control systems, which includes internal financial controls, the efficacy of which is continuously monitored and updated when required internally. The internal Auditors monitor the compliance of the same.

The Company's internal control system ensures that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The Audit Committee reviews reports presented by the internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

Human resources

The Company employed 418 officers and workmen as on 31st March, 2022. Increase in the value of human capital through the development of individual and collective competencies helped the Company stay in step with market developments and requirements. The Company has a policy to regularly run programs and projects on skill development and upgradation of employee competence, however due to restricted mobility in FY 21-22 such development programs from external agencies could not be taken up. Programmes of knowledge sharing were conducted; employees are encouraged to attend external programs as required to enhance their perspective of emerging standards. A number of innovative ideas received from employees were implemented, resulting in enhance quality, cost optimisation and productivity.

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable Securities Laws and Regulations. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual results could differ materially from those expressed in the statements or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent development, information or events.

ORIENTAL CARBON & CHEMICALS LIMITED

Corporate Identity Number (CIN) – L24297GJ1978PLC133845
Regd. Off.: Plot No. 30-33, Survey No. 77, Nishant Park, Nana Kapaya, Mundra, Kachchh, Gujarat-370415
Email: investorfeedback@occlindia.com; Website: www.occlindia.com

NOTICE

NOTICE is hereby given that the 42nd Annual General Meeting of Oriental Carbon & Chemicals Limited will be held on Monday, the September 05, 2022 at 10.30 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, the Audited Consolidated Financial Statements of the Company for the said financial year and the Reports of the Board of Directors and Auditors thereon.

2. To confirm the interim dividend paid during the year and to declare final dividend for the financial year ended March 31, 2022.

3. To appoint a Director in place of Ms. Kiran Sahdev [DIN: 06718968], who retires by rotation and being eligible, offers herself for re-appointment.

4. **To re-appoint M/s. S S Kothari Mehta & Co., Chartered Accountant as Statutory Auditors of the Company and to fix their remuneration**

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

   "**RESOLVED THAT**, pursuant to the provisions of sections 139 and 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. S S Kothari Mehta & Co., Chartered Accountants, having Registration No. 000756N, be and are hereby re-appointed as the Statutory Auditors of the Company for the 2nd term of five consecutive years, who shall hold office from the conclusion of this 42nd Annual General Meeting till the conclusion of the 47th Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

SPECIAL BUSINESS:

5. **To ratify the remuneration payable to the Cost Auditors for the Financial Year 2021-22**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 148 read with the Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, ("Act") including any amendment(s), statutory modification(s) or re-enactment(s) thereof, the remuneration of ₹ 1,40,000/- (Rupees One lakh forty thousand only) plus applicable taxes and re-imbursement of actual travel and out-of-pocket expenses payable to M/s. J K Kabra & Co., Cost Accountants, New Delhi (Firm Registration No. 000009), the Cost Auditors appointed by the Board of Directors of the Company ('the Board') to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023, be and is hereby ratified.

   RESOLVED FURTHER THAT, the Board of Directors (including any Committee thereof) and/or Company Secretary and/or Chief Financial Officer of the Company be and are hereby severally authorised to do all such acts, deeds, matter and things and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution."

Registered Office:	**By order of the Board**
Plot No. 30-33, Survey No. 77	
Nishant Park, Nana Kapaya	
Mundra, Kachchh	
Gujarat 370415	
	Pranab Kumar Maity
Place: Noida	Company Secretary
Date: July 29, 2022	Membership No. A20606

Notes:

1. **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013,** which sets out details of material facts relating to the Special businesses to be transacted at this AGM, is annexed hereto.

2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (**"MCA"**) has vide its General Circular No. 14/2020, 17/2020 and 20/2020 dated April 08, 2020, April 13, 2020 and May 05, 2020 respectively, read with General Circular No. 02/2022 dated May 05, 2022 (collectively referred to as **"MCA Circulars"**) and SEBI has vide its Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (collectively referred to as **"SEBI Circulars"**) and other applicable circulars permitted holding of the Annual General Meeting (**"the Meeting/AGM"**) through Video Conferencing (**"VC"**)/Other Audio Visual Means (**"OAVM"**), without the physical presence of the Members, Directors, Auditors, Debenture Trustee or other eligible persons at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act, 2013"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**) and aforesaid MCA and SEBI Circulars, the AGM of the Company will be conducted through VC/ OAVM.

3. Additional information, pursuant to Para 1.2.5 of SS-2 ("Secretarial Standard on General Meetings") and Regulation 36(3) of the SEBI Listing Regulations in respect of re-appointment of Ms. Kiran Sahdev (DIN: 06718968) is annexed hereto.

4. In accordance with the provisions of Section 108 of the Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations and in view of the aforesaid MCA and SEBI Circulars, the Company has engaged the services of Link Intime (India) Private Limited (**"LIIPL"**) to provide the facility of voting by electronic voting system to all the Members to enable them to cast their votes electronically during the AGM in respect of all the businesses to be transacted at the aforesaid Meeting. The facility of casting the votes by the Members using such electronic voting system from a place other than venue of the AGM ("remote e-voting") is also provided by LIIPL.

5. VC/OAVM facility provided by the Company, is having a capacity to allow 2000 members to participate at the Meeting on a first-come-first-served basis. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, KMPs, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors, Debenture Trustee etc. may be allowed to attend the Meeting without restriction on account of first-come-first-served principle.

6. Company is providing two-way teleconferencing facility for the ease of participation of the members. The instructions for members attending/participating in the AGM through VC/ OAVM are provided at point no. 31A.

7. The facility for joining the AGM through VC/ OAVM shall be open at least 15 minutes before the time scheduled to start the Meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.

8. In compliance with the aforesaid MCA Circulars and SEBI Circulars, electronic copy of the Annual Report for the financial year 2021-22 and Notice of the 42nd AGM of the Company, inter alia, indicating the process and manner of e-voting will be sent only through electronic mode to all the Members whose email IDs are registered with the Company's Registrar and Share Transfer Agent/Depository Participant(s) for communication purposes, as the requirement of sending the hard copies of annual report and notice of AGM has been dispensed with. Members may note that the Notice and Annual Report will also be available on the Company's website www.occlindia.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia. com and www.nseindia. com respectively and on the website of the e-Voting service provider.

9. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of him/her and the proxy need not be a Member of the Company. Since the 42nd AGM is being held pursuant to the MCA Circulars, through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, in line with the MCA Circular No. 14/2020 dated April 08, 2020, the facility for appointment of proxies by the Members will not be available for the 42nd AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

10. Institutional/Corporate Members intending to attend the Meeting are required to send a scan of certified copy of the Board Resolution (JPG/ PDF format), pursuant to Section 113 of the Act, 2013, authorizing their representative to attend the Meeting through VC/OAVM on its behalf and vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to pawan.sarawagi@gmail.com.

11. Recorded transcript of the Meeting shall be uploaded on the website of the Company and the same shall also be maintained in safe custody of the Company. The registered office of the Company shall be deemed to be the place of Meeting for the purpose of recording of the minutes of the proceedings of this AGM.

12. An Interim dividend @70% (i.e. ₹ 7/- per equity shares) was declared at the meeting of the Board of Directors of the Company held on October 28, 2021 to those members whose names appeared on the Company's Register of Members, or appeared as beneficial owners at the close of business on November 09, 2021 (Record Date) and same was paid on and from November 17, 2021.

13. The Final Dividend as recommended by the Board of Directors, if approved at the meeting shall be credited/dispatched between September 08, 2022 and September 14, 2022 to those members whose names appear on the Company's register of members on August 22, 2022 (record date) or their mandatees. In respect of the shares in electric form, the dividend will be payable on the basis of ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Ltd. for this purpose.

14. SEBI vide its Circular No. SEBI/HO/MIRSD/ DOP1/ CIR/P/2018/73 dated April 20, 2018 has mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The Company and its Registrar and Share Transfer Agent are required to seek relevant bank details of members from depositories/ investors for making payment of dividends in electronic mode. Further, pursuant to MCA General Circular No. 20/2020 dated May 05, 2020, companies are directed to credit the dividend of the members directly to the bank accounts of the members using Electronic Clearing Service.

    Hence, the Members are requested to furnish/ update their bank account name & branch, bank account number and account type along with other core banking details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. at the earliest with their Depository Participants (DPs) in case shares are held in electronic form or with the Registrar and Share Transfer Agent of the Company (R&T Agent) in case of the shares are held in physical form. In case of non-availability or non-updation of bank account details of the shareholders, the Company shall ensure payment of dividend to such member vide dispatch of dividend warrant/ cheque, as the case may be.

15. Members having any queries related to accounts and operations or any other matter to be placed at the AGM of the Company, may write to the Company through an email on investorfeedback@occlindia.com, at least seven working days in advance of the Meeting. The same will be replied by the Company suitably.

16. Members are requested to contact the Company's Registrar and Share Transfer Agent (RTA), Link Intime (India) Private Limited, Room No. 502 & 503, 5th Floor, Vaishno Chamber, 6, Brabourne Road, Kolkata – 700 001, Phone - 033-4004 9728, Telefax- 033-4073 1698, E-mail: kolkata@linkintime.co.in for reply to their queries/ redressal of complaints, if any, or contact Mr. Pranab Kumar Maity, Company Secretary & GM – Legal at the Corporate Office of the Company (Phone No.: +91-0120-2446850; Email: investorfeedback@occlindia.com).

17. Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto ("IEPF Rules") the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education Protection Fund (IEPF), constituted by the Central Government. During 2021-22, the unclaimed dividend amount of ₹ 11,84,365/- and ₹ 7,39,617/- towards the unpaid dividend account of the Company for the financial year 2013-14 (Final Dividend) and 2014-15 (Interim Dividend) was transferred to Investor Education and Protection Fund. The said amount had remained unclaimed for seven years, despite reminder letters having been sent to each of the members concerned.

18. The Final Dividend for the financial year ended March 31, 2015 and Interim Dividend for the financial year ended March 31, 2016, which remains unpaid or unclaimed, will be due for transfer to IEPF on September 05, 2022 and December 15, 2022 respectively.

    The Company has been sending reminders to those members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. The details of the unpaid/unclaimed dividend are also uploaded as per the requirements, on the Company's website www.occlindia.com.

    Pursuant to provision of Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to Investor Education Protection Fund.

Members, who have not encashed their dividend warrants for the above mention dividends are requested to lodge their claims with the Company.

19. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, to their DPs in case shares are held in electronic form or to Company's RTA i.e. LIIPL in case shares are held in physical form.

20. Members may avail the facility of nomination by nominating a person to whom their shares in the Company shall vest in the event of their death. The prescribed Form can be obtained from the Company's RTA i.e. LIIPL. Members are requested to submit the said details to their DPs in case the shares are held in electronic form and to LIIPL in case the shares are held in physical form.

21. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's RTA i.e. LIIPL for consolidation into single folio.

22. Securities and Exchange Board of India has mandated that, no share can be transferred, transmitted and transposed in physical mode. Hence, the Company has stopped accepting any fresh lodgement of transfer, transmission and transposition of shares in physical form. In view of this, Members holding shares in physical form are requested to get their shares dematerialised at the earliest. Members can contact the Company or the Company's RTA i.e. LIIPL for assistance in this regard.

23. The Securities and Exchange Board of India (**"SEBI"**) has mandated the submission of Permanent Account Number (**"PAN"**) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA i.e. LIIPL.

24. In keeping with the 'Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests the Members who have not registered their e-mail addresses so far, to register their email addresses with their DPs in case shares are held by them in electronic form and with the Company's RTA i.e. LIIPL in case shares are held by them in physical form for receiving all communication including annual report, notices, circulars etc. from the Company electronically. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.

25. Members attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

26. Since the AGM will be held through VC/OAVM, the Route Map is not annexed with this Notice.

27. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued thereunder will be made available electronically for inspection by the Members during the Meeting. All documents referred to in the Notice will also be available for electronic inspection from the date of circulation of this Notice up to the date of AGM. Also, the Notice for this 42nd AGM along with requisite documents and the Annual Report for the financial year 2021-22 shall also be available on the Company's website www.occlindia.com. Members seeking to inspect such documents can send an email to investorfeedback@occlindia.com

28. The remote e-voting facility will be available during the following voting period:

    i. Commencement of remote e-voting: From 10.00 a.m. IST of Thursday, September 01, 2022.

    ii. End of remote e-voting: Up to 5.00 p.m. IST of Sunday, September 04, 2022.

29. During this period, the shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. August 29, 2022 (Monday) may cast their vote through remote e-voting. The remote e-voting module shall be disabled by LIIPL for voting thereafter and the facility will be blocked forthwith.

30. **Remote e-voting instructions for shareholders:**

    Pursuant to SEBI Circular dated December 9, 2020 on e-voting facility provided by Listed companies, individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	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://eservices.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.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi/Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www. cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. Upon logging in, 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 e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

Type of shareholders	Login Method
Individual Shareholders holding securities in Physical mode	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/ members holding shares in physical form shall provide Event No (220236) + 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 RTA/ Company shall use the sequence number provided to you, if applicable. C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company. **Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above* ➢ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter). ➢ Click "confirm" (Your password is now generated). 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 yourvote.

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 LIIPL at https://instavote.linkintime.co.in and register themselves as **'Custodian / Mutual Fund / Corporate Body'**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **'Custodian / Mutual Fund / Corporate Body'** login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode 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 (CAPTCHA) Code and Click on **'Submit'**.

- In case shareholders/members is having valid email address, Password will be sent to his/her registered e-mail address.
- Shareholders/members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

  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 have forgotten the password:

Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

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 toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or send an email to enotices@ linkintime.co.in or contact on: - Tel: 022 –4918 6000.

31. **Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:**

    Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/members who have not exercised their vote through the remote e-voting can cast the vote as under:

    1. On the Shareholders VC page, click on the link for e-Voting, "Cast your vote"
    2. Enter your 16 digit Demat Account No. / Folio Number and OTP (received on the registered mobile number/ registered e-mail 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.

    Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. 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.

31A. **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

   >>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 Number

      - 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 InstaMeet and your attendance is marked for the meeting).

31B. Instructions for Shareholders/Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 7 days in advance with the Company on the investorfeedback@occlindia.com.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist 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.

32. The voting rights of Members shall be in proportion to their shares of the total paid up equity share capital of the Company as on the cut-off date.

33. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names shall be entitled to vote.

34. Any person, who acquires shares of the Company and becomes Member of the Company after sending the Notice of the Meeting and holding shares as of the cut-off date needs to refer the instruction above regarding login ID and password and may contact the Company or RTA for any query or assistance in this regard. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

35. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through VC/ OAVM but shall not be entitled to cast their vote again or change it subsequently.

36. Only those Members, whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM.

37. Non-Resident Indian Members are requested to inform RTA, immediately on change in their residential status on return to India for permanent settlement, and update on particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code number, if not furnished earlier.

38. The Board has appointed Mr. Pawan Kumar Sarawagi (Membership No. FCS 3381), of M/s. P Sarawagi & Associates, Company Secretaries, Kolkata as the Scrutinizer to scrutinize the remote e-voting process and voting process at AGM in a fair and transparent manner.

39. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which the voting is to be held, allow voting with the assistance of the scrutinizer, by using e-voting facility for all those Members who are present at the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility.

40. The Scrutinizer shall after the conclusion of voting at the Meeting, first count the votes cast during the Meeting and thereafter unblock the votes cast through remote e-voting and shall make and submit, within two working days or three day, whichever is earlier, of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting within two working days or three day, whichever is earlier, of conclusion of the AGM.

41. The Notice of the AGM shall be placed on the website of the Company and LIIPL till the date of AGM. The Results declared, along with the Scrutinizer's Report shall be placed on the Company's website www.occlindia.com and on the website of LIIPL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The Results shall also be immediately forwarded to the Stock Exchange(s) where the shares of the Company are listed. Further, the results shall be displayed on the Notice Board of the Company at its Registered Office.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Item No. 4: To re-appoint M/s. S S Kothari Mehta & Co., Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.

M/s. S S Kothari Mehta & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company at the 37th Annual General Meeting ('AGM') held on 28th July, 2017 for a period of 5 years, up to the conclusion of 42nd AGM. M/s. S S Kothari Mehta & Co., are eligible for re-appointment for a further period of 5 years and have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder. M/s. S S Kothari Mehta & Co. have confirmed that they are eligible for the proposed appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder. As confirmed to Audit Committee and stated in their report on financial statements, the Auditors have reported their independence from the Company according to the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the ethical requirements relevant to audit. Based on the recommendations of the Audit Committee and the Board of Directors, it is hereby proposed to re-appoint M/s. S S Kothari Mehta & Co., Chartered Accountants, having registration No. 000756N, as the Statutory Auditors of the Company for the second and final term of five consecutive years, who shall hold office from the conclusion of this 42nd AGM till the conclusion of the 47th AGM of the Company. The Board of Directors has approved a remuneration of ₹ 23,65,000/- for conducting the audit for the financial year 2021-22, excluding applicable taxes and reimbursement of out-of-pocket expenses on actuals. The remuneration proposed to be paid to the Statutory Auditors during their second and final term would be in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

M/s S S Kothari Mehta & Co. is a multi-disciplinary Audit Firm catering to various clients in diverse sectors. The firm holds the 'Peer Review' certificate as issued by 'ICAI'.

The Board recommends the resolution set out at Item No. 4 of the Notice for approval by the Members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

Item No. 5: To ratify the remuneration payable to the Cost Auditors for the Financial Year 2021-22

The Board of Directors on the recommendation of the Audit Committee have approved the appointment of M/s. J K Kabra & Co., Cost Accountants, New Delhi (Firm Registration No. 000009), as Cost Auditors at a remuneration of ₹ 1,40,000/- (Rupees One Lakh Forty Thousand only) plus out of pocket expenses and applicable taxes incurred by them for the purpose of audit for the financial year 2022-23. A Certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection during the AGM in e-form.

Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2023.

None of the Directors and Key Managerial Personnel of the Company, their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Ordinary resolution set out in Item No. 5 of the Notice for approval by the Members.

Registered Office:
Plot No. 30-33, Survey No. 77
Nishant Park, Nana Kapaya
Mundra, Kachchh
Gujarat 370415

Place: Noida
Date: July 29, 2022

By order of the Board

Pranab Kumar Maity
Company Secretary
Membership No. A20606

Details of Directors Seeking appointment/re-appointment at the 42nd Annual General Meeting

Brief Profile and other relevant details of Ms. Kiran Sahdev [DIN: 06718968], Director of the Company, who is liable to retire by rotation, seeking re-appointment in the forthcoming Annual General Meeting, pursuant to para 1.2.5 of SS-2 ("Secretarial Standard on General Meetings"), Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations") and other applicable provisions, if any, is provided in the table below:

Name of the Director	Ms. Kiran Sahdev
Father's Name	Mr. Vaisham Payan Sahdev
Date of Birth	November 05, 1959
Age	62 Years
Date of first Appointment	January 30, 2020
Brief resume and expertise in specific areas	She served as an executive Director (HRD/OD) at Life Insurance Corporation of India. She is a Postgraduate in English and has a vast experience in human resource management and business development.
Qualification	M.A. (English)
Directorship held in other companies including listed companies	Nil
Names of Listed Companies from which she has resigned in past three years	None
Chairman/member of the Committee of the Board of Directors of the Company	**Chairman:** Nil **Member:** Nomination and Remuneration Committee
Chairman/member of the committee of the Board of Directors of other listed companies in which he is a director	None
Number of shares held in the Company	Nil
No. of Board Meetings attended during the financial year 2021-22	5 out of 5 Board Meetings
Relationship with other Directors, Manager and KMPs of the Company	None
Details of remuneration sought to be paid, if any	Not Applicable
Remuneration last drawn, if any	Details are given in the Corporate Governance Report

Registered Office:
Plot No. 30-33, Survey No. 77
Nishant Park, Nana Kapaya
Mundra, Kachchh
Gujarat 370415

By order of the Board

Pranab Kumar Maity
Company Secretary
Membership No. A20606

Place: Noida
Date: July 29, 2022

Directors' Report

To The Members

Your Directors are pleased to present the 42nd Annual Report along with the Audited Annual Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2022.

SUMMARY OF FINANCIAL RESULTS

(₹ in Lakh)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Net Sales/Income from Operations	38,778.76	34,218.11
Other Income	611.56	249.42
Total Revenue	**39,390.32**	**34,467.53**
Profit/(Loss) Before Taxation	5,484.37	9,664.90
Provision for Taxation *	(1489.63)	(2,164.72)
Profit/(Loss) after Taxation	**3,994.74**	**7,500.18**
Other Comprehensive Income/(loss)(Net of Tax)	157.70	(44.62)
Amount Available for Appropriation	53,567.10	50,216.40
Appropriation:		
Interim Dividend on Equity Shares	699.31	399.60
Final Dividend for Previous Year	999.01	599.41
Balance Carried to Balance Sheet	**51,868.78**	**49,217.39**

* Including ₹ 5,37.94 Lakhs Deferred Tax (Previous year ₹ (510.21) Lakh).

OPERATIONS

Insoluble Sulphur

The second wave of the Covid-19 pandemic in the first quarter of the year severely affected economic activities. Supply side imbalances, especially in crude and therefore Sulphur and oils, resulted in unprecedented surge in raw material prices. This had the effect of increasing input and transportation costs. International logistic costs increased to all-time highs due to severe disruption in supply chains. Economic recovery was further impacted by the third wave of the Covid-19 pandemic and the Russian Invasion of Ukraine in the later half of the year. This has rendered companies and economies more vulnerable to commodity price disruptions.

The revenue of the Company registered a 14% growth over previous year mainly due to increased sales realisations on account of surge in input costs. However, inspite of increase prices there was a reduction in margins specially in fourth quarter and net profit came down by nearly 47%.

The Phase-1 of Insoluble Sulphur expansion project at Dharuhera, Haryana was commissioned in December, 2021 after delays due to Covid.

Sulphuric Acid & Oleum

Sales during the first quarter FY 21-22 were impacted due to lockdown, however demand picked from second quarter onwards and total quantity of sales were higher than previous year by about 16%. Though realization per metric ton was higher than the previous year margins were lower due to increase raw material cost.

FUTURE PROSPECTS

Insoluble Sulphur

The demand is expected to pick up in the FY22-23 on account of recovery in Auto and Tyre market in India. The demand in the European Union and US has been stable and should continue to be so provided there is no significant new covid wave. Raw material prices are expected to stabilize during this year subject to there being no further geopolitical shocks in the economy. The impact of Russia Ukraine war continues, mainly in fuel cost which, however, now seems to have stabilize at current level. The other factor which might have adverse impact is the threat of recession occurring in major economies such as USA and Europe. The high input prices, if there is no correction, may also have dampening effect on demand of tyres in price sensitive market.

We expect our sales to ramp up as per current demand outlook specially in the second half as supplies to new customers starts.

Sulphuric Acid & Oleum

Contributions are expected to be under pressure going forward with increased production capacities in the region.

Along with the Capacity Expansion of Insoluble Sulphur, the Company also expanded Sulphuric Acid capacity mainly with the view of providing steam for the new Insoluble Sulphur lines.

CREDIT RATING

During the year under review, the Company had received its credit ratings from ICRA Limited. The Rating Committee of ICRA Limited, after due consideration, assigned a short-term rating of [ICRA]A1+ (pronounced ICRA A one plus) and a long-term rating of [ICRA]AA- (pronounced ICRA Double A minus). (Outlook on the long term is Stable). Since all public deposits accepted by the Company has matured it is no longer necessary to obtain Credit Rating for the same.

SUBSIDIARIES

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, statement containing salient features of standalone financial statements of subsidiaries in Form AOC-1 is attached to the Financial Statements in a separate section and forms part of this Report. The separate audited accounts of the Subsidiary Companies are available on the website of the Company www.occlindia.com. Brief details of the performance of the subsidiaries of the Company are given below:

Our subsidiary, Duncan Engineering Limited, registered a gross turnover of ₹ 5,637.74 lakhs during the current Financial Year against ₹ 4,199.78 Lakhs during FY 2020-21. The Subsidiary reported a profit of ₹ 624.47 lakhs (Previous Year Profit ₹ 798.77 lakhs).

In accordance with the third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its Standalone and the Consolidated Financial Statements would be placed on the website of the Company. Further, as per provisions of the said Section, audited Annual Accounts of subsidiary companies would also be placed on the website of the Company at www.occlindia.com. Shareholders interested in obtaining a copy of the Annual Accounts of the subsidiary companies may write to the Company Secretary at the Company's corporate office or may drop a mail at investorfeedback@occlindia.com.

The Company does not have any material unlisted subsidiary in the immediately preceding accounting year. However, as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI has made it mandatory for all listed companies to formulate a policy for determining 'material' subsidiaries. Accordingly, a policy on 'material' subsidiaries was formulated by the Audit Committee of the Board of Directors and same is also posted on the website of the Company and may be accessed at www.occlindia.com.

Subsequent to the year under review, the Company has incorporated a wholly owned subsidiary namely OCCL Limited on April 25, 2022 to carry on the business and manufacturing sale and purchases of all types of chemical products. The subsidiary has not commenced business operations as on date of this report.

SCHEME OF ARRANGEMENT

The Board of Directors at their meeting held on May 24, 2022 has approved a scheme of arrangement between Oriental Carbon & Chemicals Limited and OCCL Limited ('a Wholly Owned Subsidiary of the Company'), subject to requisite statutory and regulatory approvals.

As per the scheme of arrangement, the Company's Chemicals Business will be demerged to OCCL Limited and the Company will continue with its investment business, subsidiary and other assets.

Pursuant thereto, the Company has submitted requisite application alongwith draft scheme of arrangement to the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited for approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, for the Scheme of Arrangement. The Scheme, upon becoming effective, will result in creation of two separate robust entities focusing exclusively on Chemical business and investment, trading business such as commodity trading.

MATERIAL CHANGES

The Company at its board meeting held on March 23, 2022 had passed a resolution for shifting of its Registered Office from the State of West Bengal to the State of Gujarat and consequent alteration in the Memorandum of Association, subject to approval of shareholders. Subsequently, the aforesaid matter was approved by the shareholders by passing a special resolution vide postal ballot on April 27, 2022. The Company had filed the requisites forms, inter alia, e-Form INC-23 for the approval of the Regional Director, Eastern Region, Kolkata, West Bengal. Pursuant to the approval of the Hon'ble Regional Director, the Registered office of the Company was shifted from "31, Netaji Subhas Road, Kolkata-700001, West Bengal" to "Plot No. 30-33, Survey No. 77, Nishant Park, Nana Kapaya, Mundra, Kachchh-370415, Gujarat".

There have been no other material changes and commitments affecting the financial position of the Company since the close of financial year ended March 31, 2022 and to the date of this report. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

RESERVES

Your Directors do not propose to transfer any amount to the General reserves and entire amount of profit for the year forms part of the 'Retained Earnings'.

DIVIDEND

Your Directors are pleased to recommend Final Dividend of 70% on 99,90,092 Equity Shares (₹ 7/- per share of ₹ 10/- each) as per the dividend policy of the Company which is subject to the approval of Shareholders in the ensuing Annual General Meeting. With this, the total dividend for the year including interim dividend of 70% comes to 140%.

The Company has adopted a Dividend Distribution Policy in accordance with the requirements of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). The same is available on the website of the Company https://occlindia.com.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Section 129(3) of the Companies Act, 2013, the Consolidated Financial Statements of the Company prepared in accordance with the Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and Indian Accounting Standard 110 on Consolidated Financial Statements is provided in the Annual Report.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL INCLUDING THOSE WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

In accordance with the provisions of Section 152 of the Companies Act, 2013, and the Article of Association of the Company, Ms. Kiran Sahdev (DIN: 06718968) is due to retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. The Board recommends their re-appointment.

None of the Directors of your Company is disqualified under the provisions of Section 164(2)(a)&(b) of the Companies Act, 2013 and a certificate dated July 29, 2022 received from Company Secretary in Practice certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies by SEBI/Ministry of Corporate Affairs or any such statutory authority is annexed to the Corporate Governance Report.

During the year, Mr. B B Tandon (DIN: 00740511) stepped down from the Board of the Company as a Non Executive Independent Director on account of health and personal reason with effect from the close of business hours on January 31, 2022. The Board placed on record its appreciation of the significant contribution made and valuable services rendered by Mr. B B Tandon during his tenure.

DECLARATION BY INDEPENDENT DIRECTOR(S)

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed both under the Act and Regulation 16 of the Listing Regulations.

The Board of Directors further confirms that the Independent Directors also meet the criteria of expertise, experience, integrity and proficiency in terms of Rule 8 of the Companies (Accounts) Rules, 2014 (as amended).

All the Independent Directors of the Company have complied with the requirement of inclusion of their names in the databank of Independent Directors maintained by Indian Institute of Corporate Affairs.

Further, all the independent Directors are exempted from the online proficiency self-assessment test as per the provisions of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 except Mrs. Runa Mukherjee, who has passed the online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Details of the separate meeting of Independent Directors held in terms of Schedule IV of the Act and Regulation 25(3) of the Listing Regulations are given in the Corporate Governance Report.

SHARE CAPITAL

The Shareholders of the Company vide Resolution passed at the Annual General Meeting held on August 03, 2021 had approved the cancellation of 33,752 equity shares of face value of ₹ 10/- each previously forfeited by the Company due to non-payment of call money on the said shares. Consequent to the cancellation of the equity shares, the issued capital of the Company was reduced by an amount of ₹ 1,51,660/- being the amount paid up on the forfeited shares so cancelled.

The issued, subscribed and paid-up share capital of your Company as on March 31, 2022 stood at ₹ 9,99,00,920/- (Rupees Nine crore Ninety Nine Lakh Nine Hundred Twenty only) divided into 99,90,092 (Ninety Nine Lakh Ninety Thousand Ninety Two) equity shares of the face value of ₹ 10/- (Rupees Ten Only) each. During the year under review, there was no change in the Authorised share Capital of the Company.

KEY MANAGERIAL PERSONNEL (KMP)

The details of Key Managerial Personnel of the Company as per the provisions of Sec 203 of the Companies Act, 2013 are as follows:

a) Mr. Arvind Goenka, Managing Director
b) Mr. Akshat Goenka, Jt. Managing Director
c) Mr. Anurag Jain, Chief Financial Officer
d) Mr. Pranab Kumar Maity, Company Secretary

During the financial year 2021-22, there was no change in the Key Managerial Personnel of the Company.

Mr. Akshat Goenka, Joint Managing Director of the Company who is also serving as Managing Director of the Duncan Engineering

Limited, the Subsidiary of the Company received a remuneration of ₹ 12,000/- and ₹ 44.63 Lakhs as commission from the Subsidiary Company for the year ended March 31, 2022.

MEETINGS OF THE BOARD

During the year five Board Meetings were convened and held on June 18, 2021, August 04, 2021, October 28, 2021, February 01, 2022 and March 23, 2022. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The details of Board Meetings with regard to dates and attendance of each Directors have been provided in the Corporate Governance Report.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25(3) & (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors in their meeting held on March 23, 2022 have evaluated the Performance of Non-Independent Directors, Chairperson of the Company after considering the views of the Executive and Non-Executive Directors, Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board. The Nomination and Remuneration Committee has also carried out evaluation of performance of every Director of the Company. On the basis of evaluation made by the Independent Directors and the Nomination and Remuneration Committee and by way of individual and collective feedback from the Non-Independent Directors, the Board has carried out the Annual Performance Evaluation of the Directors individually as well as evaluation of the working of the Board as a whole and Committees of the Board. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report.

The Independent Directors are regularly updated on industry & market trends, plant process, and operational performance of the Company etc through presentations in this regard. They are also periodically kept aware of the latest developments in the Corporate Governance, their duties as directors and relevant laws.

AUDIT COMMITTEE

As on 31st March, 2022, the Audit Committee of the Board of Directors of the Company consists of two Non-Executive Independent Directors and one promoter Director with Mr. O. P. Dubey as Chairman, Mr. S. J. Khaitan and Mr. Akshat Goenka, Joint Managing Director as Member. The Company Secretary is the Secretary of the Committee. The Chief Financial Officer and Auditors are permanent invitees to the committee meetings. The Committee met 4 (four) times during the year i.e. on June 18, 2021, August 4, 2021, October 28, 2021 and February 1, 2022.

The Committee, inter alia, reviews the Internal Control System and Reports of Internal Auditors and Compliance of various Regulations. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report. The Committee also reviews the Financial Statements before they are placed before the Board.

Your Company has a well-structured Internal Audit System commensurate with its size and operations. During the year there were no instances where the Board had not accepted the recommendations of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

As on 31st March, 2022, the Nomination and Remuneration Committee consists of three Non-Executive Directors out of which two are Independent Directors, with Mr. O. P. Dubey as Chairman, Mr. K. Raghuraman and Ms. Kiran Sahdev, as members. The Committee, inter alia, identifies persons who are qualified to become directors and who may be appointed in key management positions and senior management. The Committee also finalizes their remunerations. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report. The Committee met once during the year under review on June 18, 2021.

STAKE HOLDER'S RELATIONSHIP COMMITTEE

As on 31st March, 2022, the Stakeholders' Relationship Committee comprises of one Independent Director Mr. S J Khaitan as Chairman, Executive Directors Mr. Arvind Goenka and Mr. Akshat Goenka as members. The Committee, inter alia, reviews the grievance of the security holders of the Company and redressal thereof. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report. The Committee met 6 (six) times during the year on June 18, 2021, August 04, 2021, September 27, 2021, October 28, 2021, November 13, 2021 and February 2, 2022.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As on 31st March, 2022, the Corporate Social Responsibility Committee consists of two Independent Directors, Mr. S. J. Khaitan as Chairman and Mr. K. Raghuraman, Member and one Executive Director Mr. Arvind Goenka as member. The Committee met once during the year on June 18, 2021. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report.

The Company recognises that an effective practice of CSR is required giving due consideration to the welfare of the community, environment and social structure that it operates in and that of the country including focus welfare areas identified by the State and Central Governments. The CSR Committee of the Company has laid down the policy to meet the Corporate Social Responsibility objectives of the Company.

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at www.occlindia.com. The CSR Policy includes activities prescribed as CSR activity as per the Rules of Companies Act, 2013.The main

Focus areas taken in the policy are Education, Health care and family welfare, Environment and Safety, contribution to any relief fund setup by the Government of India and any State Government.

The Average Net Profits of the Company for the last three financial years is ₹ 9266.21 lakh and accordingly the prescribed CSR expenditure during the year under review should not be less than ₹ 185.32 lakh (i.e. 2% of the Average Net Profits of the Company for the last three financial years). ₹ 185.34 lakhs were spent on CSR activities and projects undertaken during the year. The Annual Report on CSR activities is annexed as **"Annexure A"** to this Report.

VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a 'Whistle Blower Policy' to establish Vigil Mechanism for directors and employees to report genuine concerns has been framed. The policy is revised from time to time to realign it with applicable regulations or organisations suitability. The latest policy is available on the website of the Company and the web link of the same is provided in the Corporate Governance Report. This policy provides a process to disclose information, confidentially and without fear of reprisal or victimization, where there is reason to believe that there has been serious malpractice, fraud, impropriety, abuse or wrong doing within the Company. The Company ensures that no personnel is denied ac cess to the Audit Committee.

RISK MANAGEMENT

As a policy, the Company has identified key risk concern/areas. The assessment of each risk area is done on quarterly basis. Following are the main concern/risk related to the Company:

Market Related Risk: mainly demand, realisation and redundancy of the product.

Production related Risk: mainly availability of inputs, accident or break down in the plant and rejection of material by the customers.

Human Resources Risk includes the risk of labour unrest, high employee turnover ratio and lower productivity due to dissatisfaction of employees.

Revenue Risk: adverse exchange rate movement. Govt. Policies and duty rates

Geographical Risk: risk arising out of Political Instability, restrictive trade practices against India, trade sanctions on different countries.

Data and records: data loss, fire and Virus attack etc.

A Risk Management committee has been formed for the purpose of evaluation of Risks and their mitigation plan.

The Board and the Audit Committee also takes note of Risk management of the Company in every quarter.

The Risk Assessment is also discussed in the Management Discussion and Analysis attached to this report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place an established internal control system including internal financial Controls designed to ensure proper recording of financial and operational information, compliance of various internal controls and other regulatory and statutory compliances. Self-certification exercise is also conducted by which senior management certifies effectiveness of the internal control system of the Company. Internal Audit is conducted throughout the organization by qualified outside Internal Auditors. Findings of the internal Audit Report are reviewed by the top Management and by the Audit Committee of the Board and proper follow up action are ensured wherever required. The Statutory Auditors have evaluated the system of internal controls including internal financial control of the Company and have reported that the same are adequate and commensurate with the size of the Company and nature of its business. The Audit Committee of the Board, from time to time, evaluated the adequacy and effectiveness of internal financial control of the Company with respect to:-

1. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization. There are well-laid manuals for such general or specific authorization.
2. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of Financial Statements in conformity with Generally Accepted Accounting Principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information.
3. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
4. The existing assets of the Company are verified/ checked at reasonable intervals and appropriate action is taken with respect to differences, if any.
5. Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

POLICY ON NOMINATION AND REMUNERATION

The summary of Remuneration Policy of the Company prepared in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Corporate Governance Report. The approved Remuneration Policy of the Company is also available on the website of the Company which is www.occlindia.com.

POLICY ON DIRECTORS' APPOINTMENT

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skill and experience that are required of the members of the Board. The members of the Board should possess the expertise, skills and experience needed to manage and guide the Company in the right direction and to create value for all stakeholders. The members of the Board will need to consist of eminent persons of proven competency and integrity with an established track record. Besides having financial literacy, experience, leadership qualities and the ability to think strategically, the members are required to have a significant degree of commitment to the Company and should devote adequate time in preparing for the Board meeting and attending the same. The members of the Board of Directors are required to possess the education, expertise, skills and experience in various sectors and industries needed to manage and guide the Company. The members are also required to look at strategic planning and policy formulations.

The members of the Board should not be related to any executive or independent director of the Company or any of its subsidiaries. They are not expected to hold any executive or independent positions in any entity that is in direct competition with the Company. Board members are expected to attend and participate in the meetings of the Board and its Committees, as relevant. They are also expected to ensure that their other commitments do not interfere with the responsibilities they have by virtue of being a member of the Board of the Company. While reappointing Directors on the Board and Committees of the Board, the contribution and attendance record of the Director concerned shall be considered in respect of such reappointment. The Independent Directors shall hold office as a member of the Board for a maximum term as per the provisions of the Companies Act, 2013 and the rules made thereunder, in this regard from time to time, and in accordance with the provisions of the Listing Regulations. The appointment of Directors shall be formalised through a letter of appointment.

The Executive Directors, with the prior approval of the Board, may serve on the Board of any other entity if there is no conflict of interest with the business of the Company.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arms' length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of Company at large. All related party transactions are placed before the Audit Committee and given in the notes annexed to and forming part of this Financial Statement. The approved policy on Related Party Transactions as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also available on the website of the Company www.occlindia.com.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Directors state that:

a) In preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;

b) The Directors have selected such Accounting Policies as listed in the Financial Statements and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year as on 31st March, 2022 and of the profits of the Company for that period;

c) The Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors have prepared the annual accounts on a going concern basis;

e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of the business of the Company or its subsidiaries during the year. The Company had one subsidiary, namely Duncan Engineering Ltd (formerly known as Schrader Duncan Limited) during the year under review. A wholly owned subsidiary namely OCCL Limited was incorporated on April 25, 2022.

INSURANCE

Our Company's properties, including building, plant, machineries and stocks, among others, are adequately insured against risks.

PUBLIC DEPOSITS

Fixed Deposits from public outstanding with your Company at the end of the financial year stood at ₹ 2,60,000/-. which were due for repayment on or before 31st March, 2022 but not claimed by the depositors by the said date. The Company has stopped accepting new deposits.

LISTING OF SHARES

The Equity Shares of the Company are listed on the BSE Limited (BSE) with scrip code No. 506579 and on National Stock Exchange of India Limited (NSE) with scrip symbol OCCL. The Company confirms that the annual listing fees to both the stock exchanges for the financial year 22-23 have been duly paid.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial Statements.

AUDITORS AND THEIR REPORT

a. Statutory Auditors:

Messrs S S Kothari Mehta & Co., Chartered Accountants, were appointed as Auditors of the Company for tenure of five years i.e. from the conclusion of 37th Annual General Meeting till the conclusion of the 42nd Annual General Meeting of the Company. The existing tenure of Messrs S S Kothari Mehta & Co., Chartered Accountants, Statutory Auditors of the Company will expire at the ensuing Annual General Meeting of the Company and they are eligible for re-appointment in terms of provisions of Section 139(2) of the Companies Act, 2013 (Act). Subject to approval of the members of the Company, the Audit Committee and the Board of Directors during their respective meetings held on July 29, 2022 have considered and recommended the re-appointment of of Messrs S S Kothari Mehta & Co,(FRN- 000756N) as the Statutory Auditors of the Company to hold office from the conclusion of this 42nd Annual General Meeting till the conclusion of the 47th Annual General Meeting of the Company. A resolution seeking approval of the shareholders for the re-appointment of Statutory Auditors is included in the Notice convening the ensuing Annual General Meeting. Messrs S S Kothari Mehta & Co., have confirmed their eligibility under Section 141 of the Act and the Rules framed thereunder for their re-appointment as Statutory Auditors. Further, as required under Regulation 33 of the Listing Regulations, they have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Auditor's Reports on the Standalone and the Consolidated Financial Statements for the financial year ended March 31, 2022 does not contain any qualification, reservation or adverse remark requiring any explanations / comments by the Board of Directors.

b. Secretarial Auditors:

The Board of Directors of the Company at their meeting held on 1st February, 2022, appointed Mr. Pawan Kumar Sarawagi, Practicing Company Secretary of M/s. P Sarawagi & Associates having office at Narayani Building, Room No.107, First Floor, Brabourne Road, Kolkata - 700001 for conducting the Secretarial Audit of the Company for the financial year 21-22.

The Secretarial Audit Report in Form MR-3 for the financial year ended 31st March, 2022, is annexed herewith as "Annexure B".

c. Cost Auditors:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company relating to insoluble Sulphur plants located at Dharuhera, Haryana is required to be audited. Your Board had on recommendation of the Audit Committee, appointed Messrs J K Kabra & Co., Cost Accountants to audit the cost accounts of the Company for the financial year 21-22 on a remuneration of ₹ 1.4 Lakh. The Cost Audit Report for the year ended 31st March, 2021 has been submitted to the Ministry of Corporate Affairs within stipulated time period.

As required under the Companies Act, 2013, the remuneration payable to Cost Auditors is required to be placed before the members in a General Meeting for their ratification. Accordingly, a Resolution seeking member's ratification for remuneration payable to Messrs J K Kabra & Co., Cost Auditors is included at item no. 5 of the Notice convening the Annual General Meeting.

Response to Auditors' Remarks

There is no qualification, reservation, adverse remark or disclaimer by the Statutory Auditors in their report on the Financial Statements for the year ended March 31, 2021.

Regarding Comments of the Secretarial Auditor in the Secretarial Audit Report with regard to time gap of more than 120 days between two consecutive meetings of the Board of Directors and Audit Committee held on February 2, 2021 and June 18, 2021, which was due to resurgence of Covid-19 pandemic during the first quarter of the review period. In view of the resurgence of the Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') vide its Circular No. 08/2021 dated May 03, 2021 had extended the time gap between two consecutive Board meetings from 120 days to 180 days during the quarters ended June 30, 2021 and September 30, 2021. The Securities and Exchange Board of India('SEBI') vide its Circular No. SEBI/HO/CFD/CMD1/P/CIR/2021/556 dated April 29, 2021 had also extended the deadline from May 30, 2021 till June 30, 2021 for submission of the annual audited financial results of listed Companies for the year ended March 31, 2021. The annual audited financial results of the Company for the year ended March 31, 2021 was approved by the Board and submitted on June 18, 2021, which was within the extended timeline.

ANNUAL RETURN OF THE COMPANY

In accordance with Section 134(3)(a) of the Companies Act, 2013 read with sub-section (3) of section 92 of the Act, the Annual Return as on 31st March, 2022 will be made available on the website of the Company at the link : https://www.occlindia.com/investor-relation/.

CORPORATE GOVERNANCE

A detailed Report on Corporate Governance for the financial year 21-22, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with an Auditors' Certificate on compliance with the conditions of Corporate Governance is annexed to this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the financial year 21-22, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as a separate statement in the Annual Report.

BUSINESS RESPONSIBILITY REPORT

As stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective is attached and forms part of the Annual Report.

We are pleased to inform that the Company has been accredited with "Responsible Care" Logo for period of three years from Indian Chemical Council during the year. This is a very prestigious award and it vindicates the Company's commitment towards environment, sustainability and social values. Further our "Ecovadis Gold" rating has been renewed for this year also, placing your company in top 6% of companies assessed by Ecovadis globally, in recognition of our continued commitment towards sustainability.

CEO AND CFO CERTIFICATION

Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO certification as specified in Part B of Schedule II thereof is annexed to the Corporate Governance Report. The Managing Director & CEO and the Chief Financial Officer also provide quarterly certification on Financial Results while placing the Financial Results before the Board in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

The Code of Conduct for Directors and Senior Management Personnel is posted on the Company's website. The Managing Director & CEO of the Company has given a declaration that all Directors and Senior Management Personnel concerned affirmed compliance with the code of conduct with reference to the financial year ended on 31st March, 2022. The declaration is annexed to the Corporate Governance Report.

COMPLIANCE OF SECRETARIAL STANDARDS

The company has complied with all the mandatorily applicable secretarial standards issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

As required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules 2014, the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed to this Report as **"Annexure C"**.

RESEARCH & DEVELOPMENT

Research & Development is fundamental to the Company's efforts to maintain the technical and quality edge for the product. A full in-house Research & Development team works on continuous basis to improve the quality of product and its properties. New Grades are also being developed to meet customers varied requirements. Research in the areas of improving and streamlining process parameters and rationalizing fuel consumption is also being carried out. Help of accredited independent laboratories is also taken as and when required for studying and evolving critical parameters.

The Company's Research and Development Facility is approved by Department of Scientific and Industrial Research, Ministry of Science and Technology Government of India.

The R&D lab is regularly augmented by acquiring state of the art analytical and process equipment to help in faster and detailed analysis. Further, pilot plants, as required, are being set up to validate the research findings. The details of some specific R&D activities carried out and benefits derived out of them have been annexed to this report.

POLLUTION CONTROL AND SAFETY

Your Company's Plants have all the requisite Pollution Control Equipment and meets all the desired and statutory norms in this regard. The Company places the highest emphases on safety of its personnel and plants. All the statutory requirements in terms of safety are followed and exceeded. The Insoluble Sulphur Units of the Company enjoys IATF 16949, ISO 9001, ISO 14001 and ISO 45001 Certification. The Company has started using Natural Gas in place of Furnace Oil and other liquid fuels at its Dharuhera Plant and Propane at its Mundra Plant, thus contributing to reduction of pollution. Rooftop solar plants of capacity 858 KWp and 500 KWp have been installed at Dharuhera and Mundra Plants, respectively for captive consumption. A zero-discharge water ETP has been commissioned to fully recycle wastewater at Dharuhera Plant. Projects to reduce fuel consumption and thus reducing gas emission are taken on a continuous basis.

PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as **"Annexure D"**, which is annexed hereto and forms a part of the Boards' Report.

FRAUD REPORTING

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Act, details of which needs to be mentioned in Director's Report.

INSIDER TRADING REGULATIONS

Based on the requirements under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Code of Conduct for prevention of insider trading is in force in your Company. The Company has adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in compliance with Chapter IV of the said Regulations and the same is also available on the Company's website www.occlindia.com.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

The Company sends reminder letters to all members whose dividends are unclaimed so as to ensure that they receive their rightful dues. Your Company has also uploaded on its website, www.occlindia.com, information regarding unpaid/unclaimed dividend amounts lying with your Company.

During FY 21-22, the unclaimed dividend amount of ₹ 11,84.365/- and ₹ 7,39,617/- towards the unpaid dividend account of the Company for the financial year 2013-14 (Final Dividend) and 2014-15 (Interim Dividend) was transferred to Investor Education and Protection Fund. The said amount had remained unclaimed for seven years, despite reminder letters having been sent to each of the members concerned.

Pursuant to Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and its amendments, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the demat account of Investor Education and Protection Fund ("IEPF") Authority (the "Authority") as per the procedure mentioned in the said Rules. Accordingly, your Company transfers the required equity shares to the demat account of the Authority and in terms of the said Rules.

Members may note that unclaimed dividend and shares transferred to the demat account of the Authority can be claimed back by them from IEPF Authority by following the procedure mentioned in the said Rules.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 covering all employees of the Company. The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013.

No case was filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 during the year under review.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

During the period under review, there were no significant and material orders passed by any regulator / court / tribunal impacting the going concern status and the Company's operations in future.

GREEN INITIATIVES

'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc. to shareholders at their e-mail address previously registered with the DPs and RTAs.

To support the 'Green Initiative', Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically.

Pursuant to the MCA Circulars and SEBI Circulars, in view of the prevailing situation of the Pandemic, owing to the difficulties involved in dispatching of the physical copies of the Notice of the 42nd AGM and the Annual Report of the Company for the financial year ended 31st March, 2022 including therein the Audited Financial Statements for the year 2021-2022, the afore-mentioned documents are being sent only by email to the Members.

ACKNOWLEDGMENTS

The Board places on record its appreciation of the support and assistance of various Banks, Government Agencies, Suppliers, valued Customers and the shareholders in particular and looks forward to their continued support. Relations between your Company and its employees remain cordial and the Directors wish to express their appreciation for the co-operation and dedication of all employees of the Company.

On behalf of the Board of Directors

	Arvind Goenka	**Akshat Goenka**
Place: Noida	Managing Director	Jt. Managing Director
Date: 29th July, 2022	DIN-00135653	DIN-07131982

ANNEXURE A TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Act & Rules made thereunder]

1. **A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:**

   In compliance with the provisions of the Companies Act, 2013 and the rules made thereunder, the Company has framed its CSR Policy to carry out its CSR activities in accordance with Schedule VII of the Act. The Company's focus areas are concentrated on increasing access to health, education, environment sustainability, community development and holistic development with a focus on underprivileged people living around its manufacturing units and other establishments. The main objective of the Policy is to establish and lay down the basic principles and the general framework of action for the Company to undertake and fulfill its Corporate Social Responsibility.

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. Suman J Khaitan	Chairman	1	1
2	Mr. Arvind Goenka	Member	1	1
3	Mr. K Raghuraman	Member	1	1

3. web-link for Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. i.e. https://www.occlindia.com/investor-relation/

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).**

   Not Applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year 21-22, if any :** NIL

6. **Average net profit of the company as per section 135(5):** ₹ 9266.21 Lakh

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 185.32 Lakh

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

   (c) Amount required to be set off for the financial year, if any: Nil

   (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 185.32 Lakh

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

Total Amount Spent for the Financial Year (in ₹ in Lakh)	Amount Unspent in ₹ in Lakh)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
185.32	NIL	NA	NA	NIL	NA

(b) Details of CSR amount spent against Ongoing Project for the financial year:

1	2	3	4	5		6
SI No.	Name of Project	Item from the list of activities in schedule VII to the Act.	Local Area (Yes/No)	Location of the Project.		Project Duration
				State	District	
1	NA					

7	8	9	10	11	
Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount Transferred to the Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of implementation on Direct (Yes/No)	Mode of Implementation through implementing agency.	
				Name	CSR Registration Number
NA					

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr	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 spent for the project (in ₹)	Mode of implemen-tation on Direct (Yes/No)	Mode of Implementation through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Financial Assistance for Poor and Needy for Education, Health Care and construction of houses etc	Promoting Education/ Sanitation/ Health Care, Community Development	Yes	In the state of Haryana, Rajasthan, West Bengal, Gujarat, U.P and Delhi	Rewari, Delhi, Noida. Kolkata	24.54	No	Oriental Foundation/ Oriental CSR Trust	CSR00003340/ CSR00026401
2	Food for Hungry	Community Development, Health Care	Yes	In the state of Haryana, Rajasthan, West Bengal, Gujarat, U.P and Delhi	Rewari, Delhi, Noida, Mundra, Kolkata	3.75	No	Oriental Foundation/ Oriental CSR Trust	CSR00003340/ CSR00026401
3	Covid Project (Provision of Oxygen Plant)	Community Development, Health Care	Yes	Gujarat	Kutch	10.00	Direct	NA	NA
4	Covid Project (Vaccination Camps etc).	Community Development, Health Care	Yes	In the State of Haryana, Gujarat	Rewari, Kutch	17.74	Direct	NA	NA
5	Support for Projects for redefining/reinforcing economic and social ineaqualities and backwardness	Community Development	Yes	All Across Nation	All Across Nation	26.00	Direct	NA	NA
6	Construction of School Buildings and Toilets	Promoting Education	Yes	Maharashtra	Mumbai	30.00	Direct	NA	NA
7	Construction and renovation of School/ College Building/ Provision of Safe Drinking water/ Health Care for students/ School Running Expenses	Promoting Education/ Sanitation/ Health Care	Yes	Rajasthan, West Bengal, UP	Rewari, Kolkata, Noida, Jhunjhunu	72.63	No	Ramchandra Goenka Charitable Trust, Kolkata and Oriental Foundation Trust	CSR00008638/ CSR00003340
	TOTAL					184.66			

(d) Amount spent in Administrative Overheads: 0.68 Lakh

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹185.34 Lakh

(g) 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)	185.32
(ii)	Total amount spent for the Financial Year	185.34
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

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

SI No.	Preceding Financial Year	Amount Transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount Spent in the reporting Financial Year (in ₹)	Amount Transferred to any fund specified under Schedule VII as per section 135(6). If any.			Amount remaining to be spent in succeeding financial years. (in.₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
1	NIL						
	TOTAL						

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

1	2	3	4	5	6	7	8	9
Sr	Project ID.	Name of Project.	Financial Year in which the project was commenced.	Project Duration	Total Amount allocated for the project (in. ₹)	Amount spent in the Project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the Project Completed/ Ongoing
1	NA							
	TOTAL							

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

(a) Date of creation or acquisition of the capital asset(s).: Nil

(b) Amount of CSR spent for creation or acquisition of capital asset.: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Nil

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). : Nil

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

On behalf of the Board of Directors

Arvind Goenka
Managing Director
DIN-00135653

S J Khaitan
Chairman of CSR Committee
DIN-00023370

Place: Noida
Date: July 29, 2022

ANNEXURE B TO THE DIRECTORS' REPORT

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

To,
The Members
Oriental Carbon & Chemicals Limited
CIN: L24297GJ1978PLC133845
Plot No. 30-33, Survey No. 77, Nishant Park, Nana Kapaya, Mundra, Kachchh, Gujarat - 370415

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Oriental Carbon & Chemicals Limited (hereinafter referred to as, the Company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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 authorised representatives during the conduct of the Secretarial Audit and considering the various relaxations granted by the Securities and Exchange Board of India, the Ministry of Corporate Affairs and other government authorities due to COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, generally complied with the statutory provisions listed hereunder, as amended from time to time 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, 2022, to the extent, applicable, according to the provisions of:

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

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

(iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;

(iv) The Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECBs);

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

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

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

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014/ the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008/ the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations,2021;

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

  (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and

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

(vi) Other laws specifically applicable to the Company : The Management has identified and confirmed the following laws as being specifically applicable to the Company :

  (a) The Arms Act, 1959 and the rules framed thereunder;

  (b) The Explosives Act, 1884 and the rules framed thereunder,

(c) The Environment (Protection) Act, 1986 and the rules framed thereunder particularly :

(i) The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;

(ii) The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989; and

(iii) The Chemicals Accident (Emergency Planning, Preparedness & Response) Rules, 1996.

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

(i) Secretarial Standards on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

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

During the year under review the Company has generally complied with the applicable provisions of the acts, rules, regulations, standards, etc., mentioned above, except Regulations 17(2) and 18(2)(a) of the SEBI LODR Regulations with regard to maximum time gap of 120 days between two consecutive meetings of the Board of Directors and Audit Committee held on February 2, 2021 and June 18, 2021. The provisions of the FEMA and the rules and regulations made thereunder to the extent applicable for FDI, ODI and ECBs as mentioned above in item no. (iv) of para 3; and the provisions of regulations mentioned in (c), (d), (e), (g) and (h) under item no. (v) of para 3, were not applicable to the Company during the year under review.

We further report that:

I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes during the year under review in the composition of the Board of Directors of the Company, except resignation of one of the Independent Director with effect from 31st January, 2022.

II. Adequate notices were given to all the 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 meetings and for meaningful participation at the meetings.

III. During the year under review, all the decisions at the meetings of the Board and Committees thereof, were carried out unanimously as the Minutes of these Meetings did not reveal any dissenting members view.

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

We further report that during the year under review, the following events/actions have occurred, which may be considered to have a major bearing on the Companys affairs in pursuance of the above referred laws, rules, regulations, standards, etc. :

1. The shareholders of the Company, at the Annual General Meeting held on August 3, 2021, has passed an Ordinary Resolution for cancellation of 33,752 equity shares of ₹ 10/- each in the Company, which were forfeited in past, on which ₹ 1,51,660/-, in aggregate, was paid-up.

2. The Board of Directors of the Company, at its meeting held on March 23, 2022, has approved incorporation of a wholly owned subsidiary company by the name and style "OCCL Limited" in the State of Gujarat, which has been incorporated on April 25, 2022, having CIN : U24302GJ2022PLC131360.

3. The Board of Directors of the Company, at its Meeting held on March 23, 2022, has approved shifting of the Company's Registered Office from Kolkata in the State of West Bengal to Mundra in the State of Gujarat. The requisite approval of the shareholders by way of a Special Resolution was obtained on April, 27, 2022 through Postal Ballot process. The Hon'ble Regional Director, Eastern Region has passed an Order on June 9, 2022 confirming the alteration in Clause 2 of the Memorandum of Association of the Company for shifting of the Company's Registered Office from the State of West Bengal to the State of Gujarat.

For P. SARAWAGI & ASSOCIATES
Company Secretaries

(P. K. Sarawagi)
Proprietor
Membership No. : FCS-3381
Certificate of Practice No. : 4882
Peer Review Certificate No. 1128/2021
ICSI UDIN : F003381D000691464

Place : Kolkata
Date : July 29, 2022

This Report is to be read with our letter of even date which is annexed to this Report as Annexure - A and forms integral part of this Report.

Annexure – A

To,
The Members
Oriental Carbon & Chemicals Limited
CIN: L24297GJ1978PLC133845
Plot No. 30-33, Survey No. 77, Nishant Park, Nana Kapaya, Mundra, Kachchh, Gujarat - 370415

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

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the Financial Records and the Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Standards and happening of events etc..
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For P. SARAWAGI & ASSOCIATES
Company Secretaries

(P. K. Sarawagi)
Proprietor
Membership No. : FCS-3381
Certificate of Practice No. : 4882
Peer Review Certificate No. 1128/2021
ICSI UDIN : F003381D000691464

Place : Kolkata
Date : July 29, 2022

ANNEXURE-C TO DIRECTORS' REPORT

INFORMATION AS PER SECTION 134(3)(m) OF COMPANIES ACT, 2013 AND FORMING PART OF THE DIRECTOR'S REPORT

FOR THE YEAR ENDED 31ST MARCH, 2022

I. CONSERVATION OF ENERGY

(a) Energy Conservation Measures taken:

- 100% steam requirement of Insoluble Sulphur plants at Dharuhera is met through utilisation of excess steam generated in Sulphuric Acid Plant by installing High Pressure Waste Heat Boiler.
- Rooftop Solar Power at Dharuhera
- Replacement of 11 KVA Power Connection to 33 KVA Power Connection for consistant supply at Dharuhera thereby reducing reliance on DG power
- Preheating of boiler feed water from waste heat recovery
- Heat Recovery System in Refiners in Mundra
- Optimisation in Nitrogen Consumption

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

- Centralised utility at Dharuhera
- Waste heat recovery from condensing Sulphur vapours
- Installation of VFD in air compressors
- Heat Recovery System in Refiners in Dharuhera

(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

- The above measures have helped in the conservation of energy and reduction in carbon footprint.

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form-B of the Annexure to the Rules.

1. Research & Development

(i)	Specific area in Which R&D carried out by the Company	:	1. Improvement in Bloom Characteristics of Insoluble Sulphur
			2. Improvement in dispersion of Insoluble Sulphur
			3. Introduction of new grades in collaboration with Customers
			4. Improving efficiency and productivity of chemical process
(ii)	Benefits derived as a result of the above R&D	:	Loyalty of existing customers coupled with enlistment of new quality-conscious customers, value addition in products, edge over competitors, and statistical process control
(iii)	Future plan of action	:	1. Development of New Grades specific to customer requirements
			2. Process research to improve cost effectiveness and quality improvement.
			3. Upgradation of R&D equipments and addition of new material research capabilities
			4. New R&D lab for Process chemistry and materials research
			5. Usage of more environment friendly Oils.
			The Company has a in-house R&D unit which has been recognised by Ministry of Science & Technology, Department of Scientific & Industrial Research. The R&D Unit is being augmented through acquisition of state of art analytical and process equipments.
(iv)	Expenditure on R&D (₹ in Lakh)		
	(a) Capital	:	106.81
	(b) Recurring	:	165.84
	(c) Total	:	272.65
	(d) Total R&D expenditure as a percentage of Net turnover.	:	0.72%

2. **Technology absorption, adaptation and innovation:**

Production optimisation and innovation in the field of developing new and improved offerings, savings in consumption ratios and utilities

III. FOREIGN EXCHANGE EARNING AND OUTGO.

(a)	Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.	:	The Company registered a growth of 2.99% by value in exports. Exports Constituted 58.57% of total Insoluble Sulphur sales during the year by value.
(b)	Total foreign exchange used and earned (₹ in Lakhs)		
	(i) Earned	:	16298.34
	(ii) Used	:	2026.22

On behalf of the Board of Directors

Place: Noida
Date : 29th July, 2022

Arvind Goenka
Managing Director
DIN-00135653

Akshat Goenka
Jt. Managing Director
DIN-07131982

ANNEXURE D TO THE DIRECTORS' REPORT

A. PARTICULARS OF EMPLOYEES PERSUANT TO SECTION 134(3)(q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014

I.	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ;	Mr. J.P Goenka - 2:10 Mr. Arvind Goenka - 361:10 Mr. K Raghuraman - 16:10 Mr. O.P Dubey - 20:10 Mr. S.J Khaitan - 24:10 Mr. Akshat Goenka - 336:10 Mrs. Runa Mukherjee - 14:10 Ms. Kiran Sahdev - 10:10
II.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year ;	**Directors:** Mr. J.P Goenka : (-21%) Mr. Arvind Goenka: (-11%) Mr. K Raghuraman: (-31%) Mr. O.P Dubey: (-28%) Mr. S.J Khaitan: (-28%) Mr. Akshat Goenka: (-12%) Mrs. Runa Mukherjee: (-15%) Ms. Kiran Sahdev (-10%) **Key Managerial Personnel** Mr. Arvind Goenka: (-11%) Mr. Akshat Goenka : (-12%) Mr. Anurag Jain- (-7%) Mr. Pranab Maity- (8%)
III.	The percentage increase in the median remuneration of employees in the financial year;	6%
IV.	The number of permanent employees on the rolls of company;	418 employees as on 31/03/2022
V.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average Salary increase of non managerial employees was 9% The total Increase in managerial remuneration was (-12%), which was mainly due to decrease in profit linked commission.
VI.	The key parameters for any variable component of remuneration availed by the directors;	Managing Director and Jt Managing Director are entitled to Commission. All other directors are also entitled to Commission based on the performance of the Company in addition to the sitting fees.
VII.	Affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year ended March 31, 2022 is as per the remuneration policy of the Company.

B. PARTICULARS OF EMPLOYEES PERSUANT TO SECTION 134(3) (q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014

Sl. No.	Name	Designation & Nature of Duties	Remuneration (₹)	Qualification & Total Service Experience (Years)	Age (Years)	Date of Commencement of Employment	Last employment held before Joining the Company	
							Company	Designation
(A) EMPLOYED THROUGHOUT THE YEAR								
1	Arvind Goenka	Managing Director	23,675,960	B.Com (36)	60	01.10.2009	Duncan International India Ltd.	Vice President
2	Akshat Goenka	Joint Managing Director	22,080,920	Graduate in Economics (11)	35	01.01.2010	NA	NA
3	Anurag Jan	Chief Financial Officer	15,340,593	B.Sc (31)	56	01.10.1990	NA	NA
4	Vijay Sabarwal	President (Operations)	10,175,077	BE (Mech) (31)	56	20.10.2014	Subros Ltd.	Sr. Vice President
5	Muneesh K Batta	Vice President (Marketing)	7,172,383	MIB, BA (28)	52	14.05.1997	Usha International (India) Ltd.	Dy.Manager
6	Rahul Garg	General Manager (R&D)	6,225,848	PHD In Organic Chem (16)	45	13.05.2019	BASF Chemicals India Pvt Ltd.	Research Scientist.
7	Govind D Pathak	Sr. General Manager (Technical)	5,444,507	B.Tech (Chem) (28)	50	12.08.2013	Continental Carbon India Ltd.	General Manager
8	Sumeet Kasma	General Manager (Purchase)	5,146,532	BE (Mech) (18)	40	02.10.2019	3M India Ltd	Sr Specialist (Sourcing)
9	Alok Gupta	Sr. General Manager (Works)	4,873,466	MSc (30)	59	15.12.1992	IFFCO	Process Controller
10	Chetan Goel	General Manager (Project Procurement)	4,524,325	BE (Mech) MBA (32)	55	23.08.2010	Indogulf Fertliser	General Manager (Commercial)

Notes:

1 Remuneration has been calculated on the basis of Section 198 of the Companies Act, 2013 and includes expenditure incurred by the Company on salary and for provision of benefits to the employees, excluding actuarial valuation of Retirement Benefits.

2 The nature of employment is contractual in case of Directors and Permanent for all other employees.

3 Mr. Arvind Goenka is related to Mr. J.P. Goenka Chairman of the Board and Mr. Akshat Goenka Jt Managing Director

4 Mr. Akshat Goenka is related to Mr. Arvind Goenka (Managing Director) and Mr. J.P. Goenka (Chairman)

On behalf of the Board of Directors

Arvind Goenka
Managing Director
DIN-00135653

Akshat Goenka
Jt. Managing Director
DIN-07131982

Place: Noida
Date : 29th July, 2022

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The salient features of the philosophy on Company's Corporate Governance hinges upon transparency and ethical practices in professional working environment conducive to optimal performance with focus on achieving shareholder's long term value growth through constant innovation, commitment to quality and customer satisfaction whilst exploring new avenues of growth.

II. BOARD OF DIRECTORS

A. Composition and Category of the Board

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors. The Chairman of the Board of Directors is a Non-Executive Director and as at 31st March, 2022, the Board comprises of 8 Directors out of which 4, comprising of half of the Board strength, are Independent Directors including one woman director and 4 are Non-Independent including 1 woman Nominee Director representing LIC of India as equity investor. All the Directors are eminent professionals with experience in Business, Industry, Finance and Law. The necessary disclosures regarding other Directorships and committee memberships have been made by all the Directors.

The composition of the Board satisfies the requirement of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

B. Number of Meetings held and Attendance of Directors during the Financial Year 21-22

During the financial year ended 31st March, 2022, the Board met five (5) times on 18th June, 2021, 4th August, 2021, 28th October, 2021, 1st February, 2022 and 23rd March 2022. The gap between two meetings were within 120 days. However, there is a gap of more than 120 days between two consecutive meetings of the Board of Directors and Audit Committee held on February 2, 2021 and June 18, 2021, in line with extension provided by the Ministry of Corporate Affairs. In view of resurgence of Covid-19 pandemic during 1st quarter of the review period, the Ministry of Corporate Affairs had again extended the time gap between two consecutive board meetings from 120 days to 180 days during the quarters ended June 20, 2021 and September 30, 2021. The SEBI had also relaxed the time for submissions of the financial results for the quarter/year ended March 31, 2021 to June 30, 2021. Accordingly, the 1st Board Meeting during quarter ended June, 2021 was held on June 18, 2021 for, inter-alia, approval of the financial results for the quarter/year ended March 31, 2021.

The names and categories of the Directors on the Board, their attendance at Board Meetings and the Annual General Meeting held during the year and the number of Directorships held by them in other companies and Committee Chairmanships /Memberships held by them as on 31st March, 2022 are given below:

Name of Directors and Director Identification Number (DIN)	Category of directorship	No. of Board Meetings		Attendance at Last AGM held on August 3, 2021	No. of Directorships held (excluding**)	Committee Memberships# (excluding**)		Directorship in other listed entity (category of Directorship)
		Held	Attended			Chairman	Member@	
Mr. J P Goenka (DIN:00136782)	Non-Executive Chairman-Promoter Director	5	1	No	2	-	-	Duncan Engineering Limited (Non-Independent, Non-Executive)
Mr. Arvind Goenka (DIN:00135653)	Managing Director – Promoter Director	5	5	Yes	3	-	1	1. Duncan Engineering Limited (Non-Independent, Non-Executive) 2. Asahi Songwon Colors Limited (Independent, Non-Executive)

Name of Directors and Director Identification Number (DIN)	Category of directorship	No. of Board Meetings		Attendance at Last AGM held on August 3, 2021	No. of Directorships held (excluding**)	Committee Memberships# (excluding**)		Directorship in other listed entity (category of Directorship)
		Held	Attended			Chairman	Member@	
Mr. Akshat Goenka (DIN:07131982)	Jt. Managing Director – Promoter Director	5	5	Yes	4	-	3	Duncan Engineering Limited (Non-Independent, Executive)
Mr. O P Dubey (DIN:00228441)	Non-Executive-Independent Director	5	5	Yes	1	3	3	Duncan Engineering Limited (Independent, Non-Executive)
Mr. S J Khaitan (DIN:00023370)	Non-Executive-Independent Director	5	5	Yes	2	3	5	1. Indo Rama Synthetics (India) Limited (Independent, Non-Executive) 2. Jindal Stainless Limited (Independent, Non-Executive)
Mr. B B Tandon* (DIN:00740511)	Non-Executive-Independent Director	3	0	No	4	-	5	1. Birla Corporation Limited (Independent, Non-Executive) 2. Filatex India Limited (Independent, Non-Executive) 3. Duncan Engineering Limited (Independent, Non-Executive)
Mr. K Raghuraman (DIN:00320507)	Non-Executive-Independent Director	5	5	No	2	1	2	1. Rama Phosphates Limited (Independent, Non-Executive) 2. Birla Cable Ltd. (Independent, Non-Executive)
Mrs. Runa Mukherjee (DIN:02792569)	Non-Executive-Independent Director	5	5	Yes	1	-	1	-
Ms. Kiran Sahdev (DIN: 06718968)	Non-Executive-Nominee Director	5	5	Yes	0	-	-	-

* Mr. B B Tandon resigned as Non-Executive Independent Director with effect from 31st January, 2022.

**Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

Only two committee viz. The Audit Committee and the Stakeholders Relationship Committee are considered for this purpose.

@Number of Membership also includes Chairmanship held in the Committees.

None of the Directors held Directorship in more than 8 (eight) Public Limited Companies and/or were members of more than 10 (ten) committees or acted as Chairperson of more than 5 (five) committees across all Public Limited Companies in which they were Directors.

Information to the Board

Necessary information as required under applicable provisions of, the Companies Act, 2013, Part A of Schedule II of the SEBI Listing Regulations and Secretarial Standards ("SS-1") and other applicable laws, rules and regulations were placed and discussed at the Board Meetings.

Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting of the Company:

a. **Re-appointment of Ms. Kiran Sahdev (DIN: 06718968), who retires by rotation, and being eligible, offers herself for re-appointment.**

   As per the provisions of the Act, Ms. Kiran Sahdev, Nominee Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible offers herself for re-appointment. The Board has recommended the re-appointment of Ms. Kiran Sahdev as a Director liable to retire by rotation in the Notice of ensuing Annual General Meeting. Ms. Sahdev aged about 62 years, served as an executive Director (HRD/OD) at Life Insurance Corporation of India. She is a Postgraduate in English and has a vast experience in human resource management and business development.

   None of Directors of the Company are disqualified as per applicable provision of the Act and none of the Directors hold any shares of the Company.

Independent Directors

The tenure of the Independent Directors is in accordance with Companies Act, 2013.

The Independent Directors do not have nor had any material pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year apart from receiving the sitting fees, reimbursement of expenses incurred for attending the Board meeting, Committee meetings, Independent Directors' meeting and annual commission. All the Independent Directors have satisfied the criteria of independency as laid down in Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act, 2013.

The Independent Directors are apprised at the Board Meetings and Committee Meetings on the Company operations, market trends, governance, internal control process and other relevant matters inclusive of presentations and programmes with regard to strategy, operations and functions of the Company including important developments in various business divisions and new initiatives undertaken by the Company. The familiarisation programme for Independent Directors is available on the Company's website (http://www.occlindia.com).

Confirmation of Independence of Independent Directors

Confirmation that in the opinion of the Board, the Independent Directors fulfills the conditions specified in these Regulations and are Independent of the Management.

Based on the declaration submitted by the Independent Directors of the Company provided at the beginning of the Financial Year 2022-23, the Board hereby certify that all the Independent Directors appointed by the Company fulfills the conditions specified in these Regulations and are independent of the management.

Reasons for Resignation of Independent Director before the expiry of their Tenure

Mr. Brij Bihari Tandon (DIN: 00740511), ceased to be an independent director of the Company with effect from the close of business hours on January 31, 2022, consequent upon his resignation from the Board. Mr. Tandon had confirmed that his resignation is purely on account of health and personal reason and there are no material reasons for his resignation, other than those mentioned above. The intimation of his resignation along with the reason therefore was also made to BSE Limited and National Stock Exchange of India Limited by the Company under the applicable provisions of the Listing Regulations. With this, he also ceases to be a member of the respective committees of the Board on which he was serving as such.

Separate Meeting of the Independent Directors

As per the requirement of Schedule IV of the Act, 2013 and the Regulation 25(3) of SEBI Listing Regulations, 1 (one) separate meeting of Independent Directors was held on March 23, 2022 without attendance of Non-Independent Directors and the members of the management. This meeting was conducted in a manner so as to enable the Independent Directors to discuss and review the performance of Non-Independent Directors and the Board as a whole after taking into account the views of Executive Directors and Non-Executive Directors and for assessing the quality, quantity and timelines of flow of information between the Company management and the Board.

Familiarisation Programme for Independent Directors

In compliance with the requirements of the Listing Regulations, the Company has put in place familiarisation programme for all its Directors including Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc and the familiarisation programme for the Independent Directors is available on the website of the Company at the link https://www.occlindia.com/investor-relation/

Disclosure of Relationships between Directors inter-se

Name of the Directors	Category of Directorships	Relationship between Directors
Mr. J P Goenka	Non-Executive Chairman - Promoter Director	Mr. Arvind Goenka (Son) and Mr. Akshat Goenka (Grandson)
Mr. Arvind Goenka	Managing Director & CEO - Promoter Director	Mr. J P Goenka (Father) and Mr. Akshat Goenka (Son)
Mr. Akshat Goenka	Jt. Managing Director - Promoter Director	Mr. J P Goenka (Grandfather) and Mr. Arvind Goenka (Father)
Mr. O P Dubey	Non-Executive Independent Director	None
Mr. S J Khaitan	Non-Executive Independent Director	None
Mr. K Raghuraman	Non-Executive Independent Director	None
Mrs. Runa Mukherjee	Non-Executive Independent Director	None
Ms. Kiran Sahdev	Non-Executive Nominee Director	None

Shareholding of Non-Executive Director(s)

As on 31st March, 2022, none of the Non-executive directors was holding any shares or convertible instruments in the Company

Code of Conduct

A Code of Conduct has been formulated for the Directors and senior management personnel of the Company and the same is available on the Company's website www.occlindia.com. All Board Members and senior management personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2022. Annual declaration signed by the Managing Director of the Company pursuant to Regulation 26(3) read with Schedule V (Part D) of the SEBI Listing Regulations is annexed to this Report as **"Annexure A"**.

The duties of the Independent Directors as laid down in the Companies Act, 2013 has been suitably incorporated in the Code of Conduct, as necessary.

Skills/Expertise/Competencies of the Board of Directors

The Board of Directors of the Company consist of eminent qualified professional members from the diverse field, who have significant amount of skills/expertise/competencies and thus make valuable contributions to the Board. The collective contribution of the Board members reflects in the performance of the Company.

Pursuant to Schedule V(C) of the SEBI Listing Regulations, 2015, the Board has identified the following skills/expertise/competencies of the Directors in context of Company's business for effective functioning:

Sl. No.	Name	Expertise/Skill
1.	Mr. Jagdish Prasad Goenka	Strategy and Planning, Risk and compliance oversight and Critical and Innovative thoughts.
2.	Mr. Arvind Goenka	Company Management, Global Marketing, Strategy and Planning, Risk and compliance oversight, Critical and Innovative thoughts, Regulatory Compliance and Governance and Finance and Accounts.
3.	Mr. Akshat Goenka	Global Marketing, Strategy and Planning, Risk and compliance oversight, Critical and Innovative thoughts, spearheading new projects and Finance and Accounts
4.	Mr. Om Prakash Dubey	Strategy and Planning, Risk and compliance oversight, Critical and Innovative thoughts, and Finance and Accounts
5.	Mr. Suman Jyoti Khaitan	Law, Risk and compliance oversight, Critical and Innovative thoughts, Finance and Accounts Regulatory Compliance and Governance and Corporate Advisory
6.	Mr. Kailasam Raghuraman	Finance and Banking Matters, Critical and Innovative thoughts and Risk and compliance oversight
7.	Mrs. Runa Mukherjee	Risk and compliance oversight, Critical and Innovative thoughts, Supply Chain and Finance and Accounts
8.	Ms. Kiran Sahdev	Human Resources, Corporate Quality and Safety Functions, Advanced Management and Skill Development

Managing Director & CEO Certificate

The certificate pursuant to Regulation 17(8) of SEBI Listing Regulations duly signed by the Managing Director and CFO in respect of the financial year ended 31st March, 2022 has been placed before the Board and is annexed to this Report as "Annexure B".

III. COMMITTEES OF THE BOARD

Currently, there are six committees of the Board – the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee, the Corporate Social Responsibility Committee, the Risk Management Committee and the Operational and Finance Committee. The terms of reference of these Committees are determined by the Board from time to time. The composition, name of members and attendance and the meetings of these Committees are enumerated below:

A. AUDIT COMMITTEE

The Company has a qualified and independent Audit Committee. All members of the Committees are financially literate and at least one member possesses accounting and financial management expertise. The Managing Director, CFO, the Statutory Auditors and Internal Auditors are permanent invitees to the Committee meetings. The Terms of Reference of the Committee include the powers stipulated in Regulation 18(2)(c), the role of the Audit Committee and review of information pursuant to Regulation 18(3) of the SEBI Listing Regulations. The terms of reference also confirm to the requirements of Section 177 of the Companies Act, 2013.

a) Composition, meetings and attendance:

As on 31st March, 2022, the Audit Committee of the Company comprises of two Non-Executive Independent Directors and one Executive Director. The Company Secretary acts as the Secretary to the Audit Committee. The Committee met 4 (four) times during the year i.e. on June 18, 2021, August 4, 2021, October 28, 2021 and February 1, 2022. The intervening gap between the Meetings were within the prescribed period of 120 days. The composition of the committee and details of meetings attended by each of the members is as under:

Sl No	Name of the Members	Category	Designation	No. of Meetings	
				Held	Attended
1.	Mr. O P Dubey	Non Executive- Independent Director	Chairman	4	4
2.	Mr. S J Khaitan	Non Executive- Independent Director	Member	4	4
3.	Mr. Akshat Goenka	Executive Director	Member	4	4

Mr. B B Tandon was the member of the Committee. He resigned as Non-Executive Independent Director with effect from 31st January, 2022 and did not attend any meeting during the year.

The Chairman of the Audit Committees was present at the 41st Annual General Meeting of the Company.

b) Terms of Reference:

Powers and role of the Audit Committee:

The powers of Audit Committee include the following:

i) Powers:

1. To seek information and act on any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

ii) Role:

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company including remuneration for any other services rendered by them;
3. Reviewing, with the management, and examination of the financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
   b. Changes, if any, in accounting policies and practices and reasons for the same Changes, if any, in accounting policies and practices and reasons for the same

c. Major accounting entries involving estimates based on the exercise of judgment by management

d. Significant adjustments made in the financial statements arising out of audit findings

e. Compliance with listing and other legal requirements relating to financial statements

f. Disclosure of any related party transactions

g. Modified opinion(s) in the draft audit report

4. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

5. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus /notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

6. Review and monitor the auditor's independence and performance and effectiveness of audit process;

7. Approval or any subsequent modification of transactions of the Company with related parties;

8. Scrutiny of inter-corporate loans and investments;

9. Valuation of undertakings or assets of the Company, wherever it is necessary;

10. Evaluation of internal financial controls and risk management systems;

11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

12. Reviewing the adequacy of internal audit function;

13. Reviewing the findings of the internal auditors including 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;

14. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

15. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

16. To review the functioning of the Whistle Blower mechanism;

17. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;

18. Carrying out any other function as may be referred to by the Board or mandated by the regulatory provisions from time to time

19. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc., on the listed entity and its shareholders.

20. The role of the Audit Committee with respect to risk management shall include:

    i. To evaluate the risk management system;

    ii. To review the risk assessment & minimization procedures across the Company;

    iii. To assist the Board in compliance with the risk management policy; and

    iv. To discuss and manage key risks.

iii) Review of information by the Audit Committee:

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

3. Management letters / letters of internal control adequacy or weaknesses issued by the statutory auditors;

4. Internal audit reports relating to internal control adequacy or weaknesses; and

5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.

B. NOMINATION & REMUNERATION COMMITTEE

a. Composition, meetings and attendance:

As on 31st March, 2022, the Nomination & Remuneration Committee of the Company comprises of three Non-Executive Directors out of which two are Independent Directors. The Committee met once during the year under review on June 18, 2021. The composition of the committee and details of meetings attended by each of the members is as under:

Sl No	Name of the Members	Category	Designation	No. of Meetings	
				Held	Attended
1.	Mr. O P Dubey	Non Executive- Independent Director	Chairman	1	1
2.	Mr. K Raghuraman	Non Executive- Independent Director	Member	1	1
3.	Ms. Kiran Sahdev	Non Executive- Nominee Director	Member	1	Nil

Mr. B B Tandon resigned with effect from 31st January, 2022 and Ms. Kiran Sahdev was appointed as a member with effect from 23rd March, 2022.

b) Terms of Reference:

The term of reference of the Nomination and Remuneration Committee, are as follows:

- To form criteria for qualifications/independence etc., of Directors
- To identify persons for Directorships and senior management positions and recommended their appointment/removals.
- To evaluate the performance of each director.
- To recommend Policy for remuneration to Directors/KMPs and other senior employees.
- To approve remuneration and Performance bonus of Directors and KMPs.
- To ensure compliance of Code of Conduct for Independent Directors, other Directors, KMPs and senior employees.
- To form criteria for evaluation of Directors
- To devise policy of Board Diversity
- Any other matters which the Board of Directors may direct from time to time.

c. Performance Evaluation criteria for Independent Directors:

The process for Board Evaluation undertaken is inclusive of the following:

- The Board evaluates the performance of the Directors individually on the basis of evaluation made by the Independent Directors and Nomination and Remuneration Committee.
- The Nomination & Remuneration Committee evaluates the performance of each Director.
- The Independent Directors evaluate the performance of the Non-Independent Directors including the Chairperson of the Company taking into account the views of the Executive and Non-Executive Directors and the Board as a whole.
- Performance of the Audit, Nomination & Remuneration, Stakeholders Relationship and Corporate Social Responsibility Committees are also evaluated.

The criteria for performance evaluation as laid down by the Nomination & Remuneration Committee, inter alia includes:

- Appropriate Board size, composition, independence, structure
- Appropriate expertise, skills and leadership initiatives
- Attendance in meetings and participation in discussions
- Adequate knowledge about the Company's business and the economic scenario
- Innovative ideas for growth of the Company's business and economic scenario
- Effectiveness in discharging functions, roles and duties as required
- Review and contribution to strategies, business and operations of the Company
- Expression of independent opinion on various matters taken up by the Board
- Timely flow of information and effective decision making
- Defining roles and effective coordination and monitoring
- Effective and prompt disclosures and communication
- Compliance with applicable laws and adherence to Corporate Governance
- Compliance with Policies, Code of Conduct etc.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a. Composition, meetings and attendance:

As on 31st March, 2022, the Stakeholders' Relationship Committee of the Company comprises of one Non-Executive Independent Director and two Executive Director. Mr. Pranab Kumar Maity, Company Secretary, acts as the Secretary to the Committee and Compliance officer of the Company. The Committee met 6 (six) times during the year on June 18, 2021, August 04, 2021, September 27, 2021, October 28, 2021, November 13, 2021 and February 2, 2022. The composition of the committee and details of meetings attended by each of the members is as under:

Sl No	Name of the Members	Category	Designation	No. of Meetings	
				Held	Attended
1.	Mr. S J Khaitan	Non Executive- Independent Director	Chairperson	6	5
2.	Mr. Arvind Goenka	Executive Director	Member	6	6
3.	Mr. Akshat Goenka	Executive Director	Member	6	6

b. Terms of Reference:

The terms of reference of the Committee are to look into the redressal of grievances of the investors namely shareholders and Fixed deposit holders. The Committee also deals with grievances relating to transfer of shares, non-receipt of Balance Sheet or dividend, dematerialisation of shares, complaint letters received from Stock Exchanges, SEBI etc. The Board of Directors has delegated power of approving transfer/transmission of shares to the Committee.

c. Investors' Complaints and its redressal :

Shareholders' Complaints and Redressal as on 31st March, 2022:

Type of Grievances and Category	Dividend Warrant not received	Shares not Dematerialised	Non-Receipt of Share Certificates	Non-Receipt of Annual Report	Total
Complaint received during the year	0	0	1	0	1
Complaint Resolved during the year	0	0	1	0	1

No Share Transfer/Transmissions/issue of Duplicate share certificates was pending as on 31st March, 2022.

D. RISK MANAGEMENT COMMITTEE

The Company has laid down adequate procedures to inform the Board about the risk assessment and risk minimisation procedures. The Company through its Board of Directors has constituted a Risk Management Committee for the purpose of monitoring and reviewing of the risk management plans periodically.

As per the provision of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has a Risk Management Committee of the Board of Directors, which comprises of two Non-Executive Independent Directors and one Executive Director and two senior employees of the Company under the Chairmanship of a Non-Executive Independent Director. The Committee met twice during the year under review i.e. on August 04, 2021 and February 01, 2022. The composition of the committee and details of meetings attended by each of the members is as under:

The details of the Members and their attendance are as follows:

Sl No	Name of the Members	Category	Designation	No. of Meetings	
				Held	Attended
1.	Mr. K. Raghuraman	Non Executive- Independent Director	Chairman	2	2
2.	Mrs. Runa Mukherjee	Non Executive- Independent Director	Member	2	2
3.	Mr. Akshat Goenka	Executive Director	Member	2	2
4.	Mr. Vijay Sabarwal	President Operation (Employee)	Member	2	2
5.	Mr. Muneesh Batta	Vice President Marketing (Employee)	Member	2	2

E. Remuneration of Directors and Disclosures

1. Remuneration Policy of the Company

The Remuneration Policy recommended by the Nomination and Remuneration Committee has been accepted by the Board of Directors of the Company. The Committee also decides on payment of commission to executive directors and non-executive directors respectively. The performance evaluation criteria for non-executive including independent directors are laid down by the Committee and taken on record by the Board of Directors.

The objective of the Company's remuneration policy is to ensure that Company's Directors, Key Managerial Personnel and other senior management employees are sufficiently incentivised for enhanced performance. Following criteria shall be followed to determine the remuneration payable to Directors, Key Managerial personnel (KMP) and other Employees.

Remuneration to Executive Directors may be linked with some or all of the following(s):-

- Increase in stakeholder's wealth
- Target achievement in term of sales, margin vis-à-vis industry bench mark
- Overall health of organization
- New initiatives taken and diversification by the organization
- Optimum utilization of resources of the organization
- Long term goal setting of the organization
- Industry Pattern
- Risk Mitigation
- Remuneration should be reasonable and sufficient to attract and retain directors of quality.

Remuneration to Independent Directors:-

- Independent Directors are entitled for sitting fees and commission based on the performance of the Company.

Remuneration to KMP is linked with the following:-

- Achievement of given targets
- Performance of the Company
- Improvement made in the processes of the organization
- People management
- Optimum utilization of resources of the organization
- Industry pattern
- New Initiatives taken
- Remuneration should be reasonable and sufficient to attract and retain the KMPs of quality

Remuneration to other employees may be linked with some or all of the following:-

- Qualification, Experience and merits
- Initiative in optimization/increase in performance efficiencies
- Achievements of given target
- Industry Pattern
- Inflation

Remuneration of Executive Directors and KMPs shall be within such limits as prescribed by the Companies Act and other statutes as applicable from time to time. In addition to the fixed monthly remuneration Executive Directors and KMPs shall be entitled to commission/performance bonus as determined by the Board from time to time based on the performance parameters set in this regard. The Remuneration Policy of the Company is placed on the website of the company at www.occlindia.com.

2. Executive Directors:

The details of remuneration including commission to all Executive Directors for the financial year ended 31st March, 2022 is as follows and same is within the ceiling prescribe under applicable provisions of the Act, 2013.

Name and Designation	Service Contact/Notice Period*	Salary (₹)	Commission (₹)	Contribution to Provident Fund & SAF (₹)	Perquisites and other allowances (₹)	Total (₹)
Mr. Arvind Goenka	Appointed as Managing Director for five years w.e.f. October 01, 2018	7788000	6449000	934560	8504400	23675960
Mr. Akshat Goenka	Appointed as Jt. Managing Director for five years w.e.f. June 01, 2018, liable to retire by rotation	7056000	6449000	846720	7729200	22080920

* The appointment may be terminated by either party by giving three months' notice or salary in lieu thereof or by mutual consent.

Out of the above remuneration, the salary, contribution to provident and perquisites, if any, are fixed component and the Commission is linked with the consolidated profitability of the Company.

3. Non-Executive Directors:

The details of sitting fees and annual commission to Non-Executive Directors for the Financial Year 21-22 are as follows:

Name	Service Contact/Notice Period	Sitting Fees* (₹)	Commission* (₹)	Number of shares and convertible instruments held in the Company
Mr. J P Goenka	Retire by Rotation	50,000	75,000	Nil
Mr O P Dubey	Appointed for 5 years as Independent Director with effect from July 30, 2019	5,30,000	7,95,000	Nil
Mr. B B Tandon[1]	-do-	Nil	Nil	Nil
Mr. S J Khaitan	-do-	6,33,000	9,49,500	Nil
Mr. K Raghuraman	-do-	4,20,000	6,30,000	Nil
Mrs. Runa Mukherjee	Appointed for 5 years as Independent Director with effect from July 31, 2020	3,60,000	5,40,000	Nil
Ms. Kiran Sahdev (Nominee of LIC)	Retire by Rotation	2,50,000	3,75,000 (to be paid to LIC of India)	Nil

*Except as mentioned above, there was no pecuniary relationship or transaction of the Directors vis-a-vis the Company. The Company has not granted any stock option to its Directors.

1. Mr. B B Tandon resigned as Non-Executive Independent Director with effect from 31st January, 2022.

F. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As required under Section 135 of the Companies Act, 2013, the Company has a Corporate Social Responsibility (CSR) Committee of the Board of Directors. CSR Committee, inter alia, had formulated and recommended to the Board, a Corporate Social Responsibility Policy which indicates the activities to be undertaken by the Company as specified in Schedule VII of the Act, 2013. The CSR Committee recommends the amount of expenditure to be incurred on CSR activities and monitor the CSR activities undertaken by the Company from time to time.

a. Composition, meetings and attendance:

As on 31st March, 2022, the Corporate Social Responsibility Committee of the Company comprises of two Non-Executive Independent Directors and one Executive Director. The Committee met once during the year on June 18, 2021.The composition of the committee and details of meetings attended by each of the members is as under:

Sl No	Name of the Members	Category	Designation	No. of Meetings	
				Held	Attended
1.	Mr. S J Khaitan	Non Executive- Independent Director	Chairman	1	1
2.	Mr. K Raguraman	Non Executive- Independent Director	Member	1	1
3.	Mr. Arvind Goenka	Executive Director	Member	1	1

b. Terms of reference:

The terms of reference of CSR Committee are as follows:

1. To formulate, monitor and recommend to the Board the CSR Policy including the activities to be undertaken by the Company;
2. To recommend the amount of expenditure to be incurred on the activities undertaken;
3. To monitor the implementation of the framework of Corporate Social Responsibility Policy;
4. To review the Company's disclosure of CSR matters;
5. To submit a report on CSR matters to the Board at such intervals and in such format as may be prescribed.
6. To consider other functions, as defined by the Board or as may be stipulated under any law, rule or regulation, Corporate Social Responsibility Voluntary Guidelines 2009 and the Companies Act, 2013.

G. OPERATIONAL AND FINANCE COMMITTEE

As on 31st March, 2022, the Operational and Finance Committee of the Company comprises of one Non-Executive Independent Directors and two Executive Director. The Committee met 4 (Four) times during the year i.e. on August 04, 2021, September 27, 2021, December 12, 2021 and March 23, 2022. The composition of the committee and details of meetings attended by each of the members is as under:

Sl No	Name of the Members	Category	Designation	No. of Meetings	
				Held	Attended
1.	Mr. S J Khaitan	Non Executive- Independent Director	Chairman	4	4
2.	Mr. Arvind Goenka	Executive Director	Member	4	4
3.	Mr. Akshat Goenka	Executive Director	Member	4	4

IV. SUBSIDIARY

As on March 31, 2022, the Company has only one listed subsidiary company namely Duncan Engineering Limited (formerly known as Schrader Duncan Ltd.) with its Board having the rights and obligations to manage the Company in the best interest of their stakeholders.

The Company has incorporated a wholly owned subsidiary namely OCCL Limited on April 25, 2022. The subsidiary has not commenced business operations as on date of this report.

V. GENERAL BODY MEETINGS

a) The last three Annual General Meetings were held as per details given below:

Financial Year	Date of AGMs	Location	Time	Special Resolutions passed
FY 20-21	03.08.2021	Through Video Conferencing	10.30 a.m.	Nil
FY 19-20	18.08.2020	Through Video Conferencing	10.30 a.m.	Yes (One)
FY 18-19	26.07.2019	Williamson Magor Hall (1st Floor), The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata – 700 001	10.30 a.m.	Yes (Five)

No Extraordinary General Meeting was held during the past 3 years.

b) Special Resolution passed in the previous three Annual General Meetings:

Date of AGM	Details of Special Resolutions passed, if any
3rd August, 2021	Nil
18th August, 2020	Re-appointment of Mrs. Runa Mukherjee (DIN: 02792569), as an Independent Director for the second term of 5 (five) years.
26th July, 2019	1. Re-appointment of Mr. O P Dubey (DIN: 00228441), as an Independent Director of the Company.
	2. Re-appointment of Mr. B. B. Tandon (DIN: 00740511), as an Independent Director of the Company.
	3. Re-appointment of Mr. K. Raghuraman (DIN: 00320507), as an Independent Director of the Company.
	4. Re-appointment of Mr. S J Khaitan (DIN: 00023370) as an Independent Director of the Company.
	5. Approval of payment of commission to Non-Executive Directors of the Company.

c) **Special Resolution passed last year through Postal Ballot:** NIL

d) **Person who conducted the Postal Ballot exercise:** Not Applicable

e) **Special Resolution proposed to be conducted through Postal Ballot:**

A Special Resolution was proposed to be conducted through Postal Ballot for shifting of registered office of the Company from the State of West Bengal to the State of Gujarat, details of which are given under:

Date of Postal Ballot Notice: 23.03.2022		Voting Period: 29.03.2022 to 27.04.2022			
Date of declaration of result: 28.04.2022		Date of Approval: 27.04.2022			
Description of the Resolution	No. of vote polled	Votes cast in favour	% of Votes in Favour on votes polled	Vote cast against	% of Votes against on votes polled
Shifting of registered office of the Company from the State of West Bengal to the State of Gujarat	6317840	6317818	99.9997	22	0.0003

Brief particulars of the postal ballot are provided below:-

Mr. Pawan Kumar Sarawagi (Membership No. FCS 3381) of M/s. P Sarawagi & Associates, Company Secretaries, Kolkata, was appointed as the Scrutinizer to conduct the Postal Ballot and e-voting process in a fair and transparent manner. Dispatch of the Postal Ballot Notices were completed on March 28, 2022, through electronic mode to all those Members, whose email addresses are registered with the Company or with the Company's Registrar and Share Transfer Agent, namely, Link Intime India Private Limited ("RTA") or with their respective Depository Participants ("Depository"), in compliance with the MCA Circulars and SEBI Circulars. The Postal Ballot Notices were also posted on the website of the Company namely www.occlindia.com. E-voting commenced on March 29, 2022 and ended on April 27, 2022. The proposed Resolution was passed with requisite majority and the Voting Results were duly intimated to the Stock Exchanges pursuant to Regulation 44(3) of the SEBI Listing Regulations as well as displayed on the Company's website at www.occlindia.com.

f) **Procedure for postal ballot**

In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company provides electronic voting (e-voting) facility, in addition to physical ballot, to all its members. For this purpose, Company has engaged M/s. Link Intime India Pvt. Ltd. (LIIPL) as the Agency to provide e-voting facility so as to enable the members to exercise their right to vote on proposed resolution by electronic means i.e., remote e-Voting Services.

Postal ballot notices and forms are dispatched, along with postage-prepaid business reply envelopes to registered members / beneficiaries. The same notice is sent by email to members who have opted for receiving communication through the electronic mode. The Company also publishes a notice in the newspaper declaring the details and requirements as mandated by the Act and applicable rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members who want to exercise their votes by physical postal ballot are requested to return the forms, duly completed and signed, to the scrutinizer on or before the close of the voting period. Those using the e-voting option are requested to vote before the close of business hours on the last date of e-voting.

The scrutinizer completes his scrutiny and submits his report to the Chairman, and the consolidated results of the voting are announced by the Chairman / authorised officer. The results are also displayed on the Company website, www.occlindia.com, besides being communicated to the stock exchanges, depository and registrar and share transfer agent. The last date for the receipt of postal ballot forms or e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

VI. MEANS OF COMMUNICATION

a) **Quarterly Results**

The Company publishes limited reviewed un-audited standalone & consolidated financial results on a quarterly basis. In respect of the fourth quarter, the Company publishes the audited financial results both standalone & consolidated for the complete financial year.

b) **Newspapers wherein results normally published**

The quarterly, half yearly and annual financial results of the Company are sent to Stock Exchanges immediately after they are approved by the Board of Directors. These results were sent to the stock exchanges are also published in leading English and Regional newspaper, such as Business Standard/Financial Express (English) and Aajkal (Kolkata).

c) **Website, where displayed**

The financial results are also displayed on the Company's website www.occlindia.com in the investor relations section in compliance with Regulation 33 and Regulation 47 of the SEBI Listing Regulations.

d) **Official news releases**

The Company regularly publishes an information update on its financial results and also displays official news releases in the investor relations section.

e) **Presentations made to institutional investors or to the analysts**

The Company holds analysts calls in each quarter, to apprise and make public the information relating to the Company's working and future outlook.

VII. GENERAL SHAREHOLDERS' INFORMATION

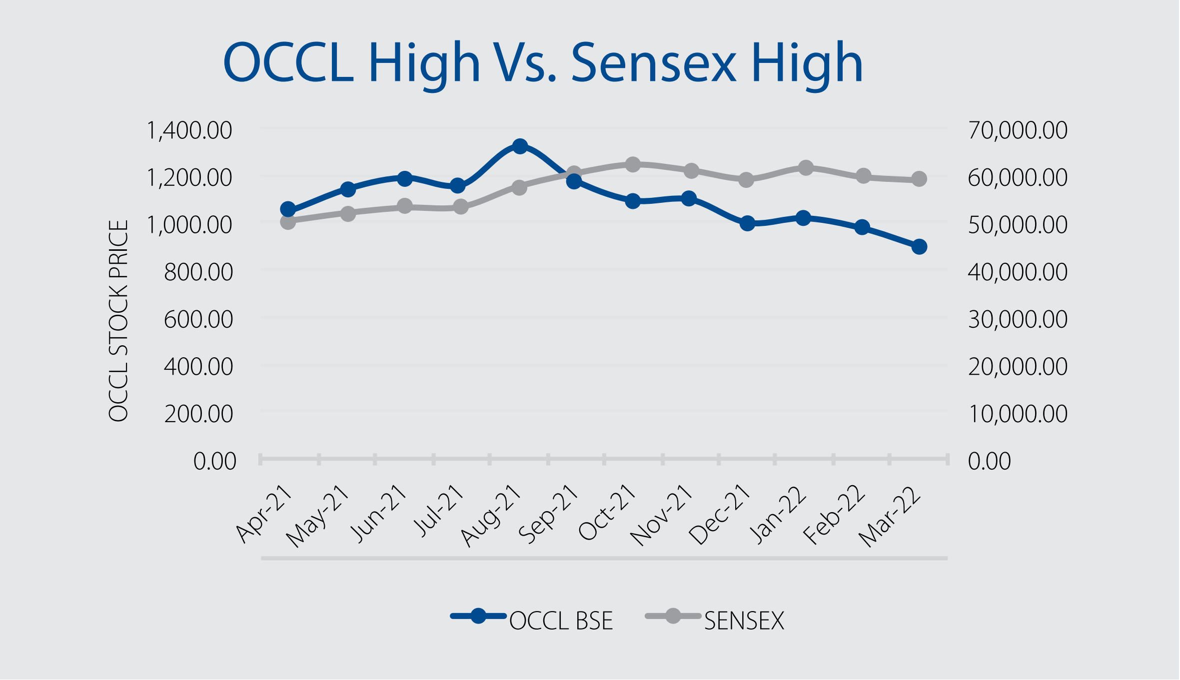
i.	Date, time and venue of Annual General Meeting	Monday, 05th September, 2022, 10.30 A.M. Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)
ii.	Financial Year	Financial year of the Company is from 01st April to 31st March. Publication of results for the Financial Year 2022-23 (tentative and subject to change) a) First quarter results: On or before 14th August, 2022 b) Second quarter and half year results: On or before 14th November, 2022 c) Third quarter results: On or before 14th February, 2023 d) Fourth quarter results and results for the year ending March 31, 2023: On or before 30th May, 2023.
iii.	Dates of book closure	23rd August, 2022 to 26th August, 2022
iv.	Dividend payment date	Between 8th September, 2022 and 14th September, 2022
v.	Listing of Equity Shares at Stock Exchanges	**BSE Limited (BSE)** Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001 **National Stock Exchange of India Ltd. (NSE)** Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai – 400 051
vi.	Payment of Listing Fees	Annual Listing Fees for the Stock Exchanges for the Financial Year 2022-23 has been duly paid by the Company.
vii.	Stock Code/Symbol	BSE Scrip Code: 506579, NSE Symbol: OCCL

Stock Market Price Data

a. The monthly high and low quotations (in ₹) during the last financial year on BSE Limited (BSE) and National Stock Exchange (NSE) are given below:

Month	At BSE		At NSE	
	High	Low	High	Low
April 2021	1,044.55	830.05	1040.00	834.00
May 2021	1,141.30	903.10	1,141.75	902.10
June 2021	1,188.90	965.00	1,160.00	975.25
July 2021	1,159.00	1,010.90	1,160.00	1016.15
August 2021	1,321.00	1,018.15	1,323.90	1021.00
September 2021	1,175.15	1,047.05	1176.70	1030.25
October 2021	1,093.15	1,007.70	1099.95	1003.40
November 2021	1,097.00	934.25	1100.00	937.00
December 2021	999.00	905.00	1010.00	910.45
January 2022	1,018.00	903.80	1009.95	900.00
February 2022	975.95	781.05	980.00	785.00
March 2022	899.00	751.00	851.25	766.00

b. Performance in comparison to broad based indices - BSE Sensex:



c. In case the securities are suspended from trading, the Directors Report shall explain the reason thereof

Not Applicable.

d. Registrar and Transfer Agent

Pursuant to Regulation 53A of the Securities and Exchange Board of India (Depositories & Participants) Regulations, 1996, the Company has appointed following SEBI registered Agency as Common Registrar and Share Transfer Agent of the Company for both the Physical and Dematerialised segment:

Link Intime India Private Limited
Room No. 502 & 503, 5th Floor, Vaishno Chamber,
6, Brabourne Road, Kolkata – 700 001
Phone - 033-4004 9728, Telefax- 033-4073 1698
E-mail: kolkata@linkintime.co.in

e. Share Transfer System

As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from, 1st April, 2019, except in case of request received for transmission or transposition of securities. The Company has a Committee of the Board of Directors called Stakeholders' Relationship Committee, which meets as and when required. The formalities for transmission/transposition of shares in the physical form are completed and share certificates are dispatched to the transferee within 15 days of receipt of the documents, provided the documents are complete. The yearly Compliance Certificate pursuant to Regulation 40(9) of the SEBI Listing Regulations for the year ending March 31, 2022 issued by Mr. Pawan Kumar Sarawagi of M/s. P Sarawagi & Associates, Company secretaries, have been duly submitted to stock exchanges.

f. Distribution of Shareholding as on March 31, 2022

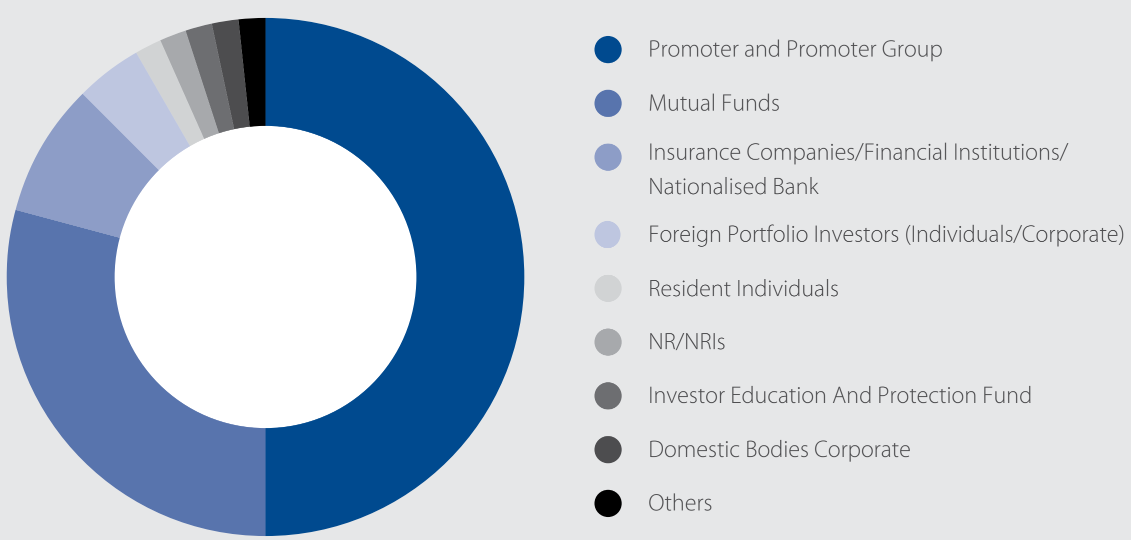
a) Distribution of shareholding by category:

Sl No.	Category	Numbers of Shares Held	% of Shareholding
1.	Promoter and Promoter Group	5171124	51.76
2.	Resident Individual	2617262	26.20
3.	Mutual Funds	1119570	11.21
4.	Insurance Companies/Financial Institutions/Nationalised Bank	315044	3.15
5.	NR/NRIs	234038	2.34
6.	Domestic Bodies Corporate	187042	1.87
7.	Foreign Portfolio Investors (Corporate/Individuals)	117825	1.18
8.	Investor Education and Protection Fund	114756	1.15
9.	Others (AIFs/Clearing Members/HUF/Trusts)	113431	1.14
Total		9990092	100.00

b) Distribution of shareholding by size:

Range in number of shares held	No. of Shareholders	% of shareholders	No. of shares held	Value of Shares	% of shareholding
1 to 500	19387	95.1042	1323717	13237170	13.2503
501 to 1000	514	2.5215	381896	3818960	3.8227
1001 to 2000	272	1.3343	391512	3915120	3.9190
2001 to 3000	78	0.3826	194893	1948930	1.9509
3001 to 4000	34	0.1668	120954	1209540	1.2107
4001 to 5000	27	0.1325	124159	1241590	1.2428
5001 to 10000	31	0.1521	221908	2219080	2.2213
10001 and above	42	0.2060	7231053	72310530	72.3822
Total	20385	100.0000	9990092	99900920	100.0000

Graphical representation



g) **Dematerialisation of shares**

The Company's Equity Shares are tradable compulsorily in electronic form and are available for trading in depository systems both National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL). The ISIN of the Company, as allotted by NSDL and CDSL, is INE 321D01016. Nearly 97.22% of total Subscribed & Paid-up Equity Shares are held in dematerialised form with NSDL and CDSL as at 31st March, 2022.

h) **Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:**

Nil

i) **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

The Company did not deal in Commodities during the year.

The Company sales revenue comprises of Export sales and Domestic sales and the Company also imports some of its raw materials. The Company has also availed Foreign Currency Term Loan. On account of the foregoing, the Company is exposed to Foreign Exchange Risk. To mitigate the Foreign Exchange Risk, the Company has a policy of hedging 60 % to 90% of its Net Foreign currency Exposure through forward covers. The details of Foreign Currency Exposure and Risk with respect to above has also been explained in Note No 33 to Financial Statement of the Company for the year ended March 31, 2022.

j) **Plants Location**

1. **Plot 3 & 4, Dharuhera Industrial Estate**
   P.O. Dharuhera, Distt. Rewari - 122 106, Haryana

2. **Survey No. 141, Paiki of Mouje**
   SEZ Mundra
   Village & Taluka - Mundra
   Dist. Kutch-370421, Gujarat

k) **Address for Correspondence for Share transfer and related matters:**

Any assistance regarding shares transfer and transmission, change of address, non-receipt of dividends, duplicate/missing Share Certificates, dematerialisation of shares and other related matters and for redressal of all share related complaints and grievance please write to or contact the Registrar & Share Transfer Agent or the Share Department of the Company at the address given below:

Registrar:

(For share and dividend related queries)
Link Intime India Private Limited
Room No. 502 & 503, 5th Floor, Vaishno Chamber, 6,
Brabourne Road, Kolkata – 700 001
Phone - 033-4004 9728
Telefax- 033-4073 1698
E-Mail: kolkata@linkintime.co.in

Company:

(For any other matter and unresolved complaints)
Oriental Carbon & Chemicals Limited
14th Floor, Tower-B, World Trade Tower
Plot No. C-1, Sector-16, Noida – 201301 (U.P.)
Phone No.: 0120-2446850
E-Mail: investorfeedback@occlindia.com

E-mail of Compliance Officer of the Company which is designated exclusively for the purpose of registering complaints by investors: investorfeedback@occlindia.com

l) **Credit Rating**

During the year under review, the Company had received its credit ratings from ICRA Limited. The Rating Committee of ICRA Limited, after due consideration, assigned a short-term rating of [ICRA]A1+ (pronounced ICRA A one plus) and a long-term rating of [ICRA]AA- (pronounced ICRA Double A minus). (Outlook on the long term is Stable). The rating for Fixed Deposit Programme was withdrawn as all public deposits accepted by the Company had matured and it was no longer necessary to obtain Credit Rating for the same.

Unclaimed Equity Dividend

Dividends that are not encashed or claimed, within seven years from the date of its transfer to the unpaid dividend account are, in terms of the provisions of Section 125 the Act, 2013, transferred to the Investor Education and Protection Fund (IEPF) established by the Government. The details of unclaimed dividend as on March 31, 2022 are as follows:

Sl. No.	Financial year	Date of Declaration	Dividend per Share (₹)	Date of transfer to Unpaid Dividend Account	Amount outstanding as on 31.03.2022 (₹)	Due date for transfer to IEPF
1	FY 14-15	31.07.2015	5.50	05.09.2015	1632526.50	05.09.2022
2	FY 15-16	09.11.2015	3.00	15.12.2015	776502.00	15.12.2022
3	FY 15-16	22.07.2016	5.50	27.08.2016	1224850.00	27.08.2023
4	FY 16-17	09.11.2016	3.00	15.12.2016	749385.00	15.12.2023
5	FY 16-17	28.07.2017	7.00	02.09.2017	1588979.00	02.09.2024
6	FY 17-18	25.11.2017	3.00	31.12.2017	702729.00	31.12.2024

Sl. No.	Financial year	Date of Declaration	Dividend per Share (₹)	Date of transfer to Unpaid Dividend Account	Amount outstanding as on 31.03.2022 (₹)	Due date for transfer to IEPF
7	FY 17-18	27.07.2018	7.00	01.09.2018	1454313.00	01.09.2025
8	FY 18-19	01.11.2018	4.00	07.12.2018	893792.00	07.12.2025
9	FY 18-19	26.07.2019	8.00	31.08.2019	1505432.00	31.08.2026
10	FY 19-20	24.10.2019	4.00	29.11.2019	832696.00	29.11.2026
11	FY 19-20	18.08.2020	6.00	23.09.2020	975738.00	23.09.2027
12	FY 20-21	03.11.2020	4.00	09.12.2020	582417.00	09.12.2027
13	FY 20-21	03.08.2021	10.00	08.09.2021	1449815.00	08.09.2028
14	FY 21-22	28.10.2021	7.00	03.12.2021	988959.00	03.12.2028

Members who have not encashed their dividend warrants for the above financial years/period may approach the Company for obtaining duplicate dividend warrants/revalidation of dividend warrants.

VIII. OTHER DISCLOSURES

a. The Company did not have any materially significant related party transaction, which have potential conflict with the interest of the Company at large.

The Senior Management of the Company has confirmed to the Board of Directors that they do not have any personal interest relating to material, financial and commercial transactions entered into with the Company that may have a potential conflict with the interests of the Company at large.

b. There is no case of non-compliance of any statutory compliance for the Company and no penalties or strictures have been imposed on the Company by the Stock Exchanges i.e. BSE & NSE or Securities and Exchange Board of India or any statutory authority on any matter related to the capital market during the last three years.

c. The Company has in place Vigil Mechanism / Whistle Blower Policy as required and it is affirmed that no personnel has been denied access to the Audit Committee.

d. The Company has complied with all the mandatory requirements as prescribed in the SEBI Listing Regulations and the Act, 2013.

e. There are no material unlisted subsidiary companies as defined in Regulation 16(1)(c) of the SEBI Listing Regulations. The Board has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of Regulation 16(1)(c) of the SEBI Listing Regulations.

f. The Board has approved a policy on dealing with related party transaction and same has been uploaded and available on the Company's website (http://www.occlindia.com/policies/Related_Party_Transactions_Policy_OCCL.pdf). Further, the statutory disclosure requirements relating to related party transactions have been complied in the Financial Statement.

g. The Disclosure of Commodity Price Risks and Commodity Hedging Activities:

The Company did not deal in any Commodity during the year, which can be hedged.

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

The Company has not raised any funds through preferential allotment or qualified institutions placement.

i. **Certificate from a Company Secretary in practice:** Certificate from a Company Secretary in Practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to this report as **"Annexure C"**.

j. During the financial year 21-22, there was no recommendation of any committee of the Board of the Company which is mandatorily required and is not accepted by the Board of the Company.

k. During the financial year 21-22, total fees for all services paid by the Company on a consolidated basis, to the statutory auditor of the Company is detailed below:

(₹ in Lakhs)

Particulars	Amount
Audit Fees	23.65
Certificates & other matters	4.10
For Tax Audit	3.65
Reimbursement of expenses	0.08
Total	**31.48**

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

The Company is committed to provide an attractive working environment for its employees and to provide safe and healthy working conditions. The Company has also adopted a 'Anti- Sexual Harassment Policy' to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, thereby providing a safe and healthy work environment, in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the rules made thereunder. Details of Complaints received and redressed during the Financial Year:

(i) number of complaints filed during the financial year: None

(ii) number of complaints disposed of during the financial year: None

(iii) number of complaints pending as on end of the financial year: None

m. Discretionary requirements as specified in Part E of Schedule II of the SEBI Listing Regulations:

The Company has also complied with the discretionary requirements with regard to:

(i) reporting of Internal Auditor directly to Audit Committee,

(ii) moving towards regime of unqualified financial statements,

(iii) separating the post of Chairman and Managing Director / Chief Executive Officer and

n. The Company has adopted a Code of Conduct to regulate, monitor and report trading by Insiders as per SEBI (Prohibition of Insider Trading) Regulations, 2015, as approved by the Board of Directors, with a view to regulate trading in securities by the Director, Key Managerial Persons and other designated persons.

Mr. Pranab Kumar Maity, Company Secretary & GM Legal, is the Compliance Officer who also acts as the Chief Investor Relations Officer.

o. **Secretarial Audit Report:** The Company has undertaken Secretarial Audit for the financial year 21-22 which, inter-alia, includes audit of compliance with the Act, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by SEBI, Secretarial Standards issued by the Institute of Company Secretaries of India and other allied laws. The Secretarial Audit Report forms a part of this Annual Report.

p. **Annual Secretarial Compliance Report:** The Company has undertaken an Annual Secretarial Compliance Audit for the financial year 21-22 for all applicable compliances as per SEBI Regulations and Circulars/Guidelines issued thereunder. Accordingly, the Annual Secretarial Compliance Report for the financial year ended 31st March, 2022 submitted to the Stock Exchanges within the prescribed timeline.

q. **Directors and Officers Insurance ('D and O Insurance'):** The Company has in place D and O Insurance Policy of such quantum and covering all such risks as may be determined by the Board of Directors of the Company. The policy also covers all Independent Directors of the Company.

r. **Anti-Bribery Policy:** The Company has formulated an Anti-Bribery Policy which explains the Company's individual responsibility to comply with anti-bribery and anti-corruption laws around the world and to ensure that any third parties that the Company engages to act on its behalf, do the same. The policy is posted on the Company's website at the following link: https://www.occlindia.com/investorrelations/policy&procedure.

IX. The Company has complied with all applicable requirement specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

X. Compliance Certificate of the Auditors

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations and the same is annexed to this report as **"Annexure D"**.

On behalf of the Board of Directors

	Arvind Goenka	**Akshat Goenka**
Place: Noida	Managing Director	Jt. Managing Director
Date : 29th July, 2022	DIN-00135653	DIN-07131982

ANNEXURE A TO THE REPORT ON CORPORATE GOVERNANCE

DECLARATION BY MANAGING DIRECTOR AND CEO UNDER REGULATION 26(3) READ WITH PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING COMPLIANCE OF CODE OF CONDUCT

To
The Board of Directors,
Oriental Carbon & Chemicals Ltd.,

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Directors and Senior Management Personnel of the Company have affirmed compliance with Code of Conduct, as applicable to them, for the financial year ended March 31, 2022.

For Oriental Carbon & Chemicals Ltd.

Arvind Goenka
Managing Director
DIN: 00135653

Place: Noida
Date: May 24, 2022

ANNEXURE B TO THE REPORT ON CORPORATE GOVERNANCE

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER IN TERMS OF REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Board of Directors,
Oriental Carbon & Chemicals Ltd.,

We hereby certify that:-

(A) We have reviewed financial statements of the Company as on 31st March 2022 and the cash flow statement of the Company for the period ended as on that date and to the best of our knowledge and belief :

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

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

(B) To the best of our knowledge and belief, the Company has not entered into any transactions during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

(C) We accept the responsibility for establishing and maintaining internal controls for the financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have also disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of 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 also indicated to the auditors and the Audit Committee:-

(1) Significant changes in internal control over financial reporting during the year, if any;

(2) Significant changes in accounting policies during the year, if any and the same have been disclosed in the notes to the financial statements ; and

(3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours faithfully,

For Oriental Carbon & Chemicals Ltd

Anurag Jain
CFO

For Oriental Carbon & Chemicals Ltd.

Arvind Goenka
Managing Director
DIN: 00135653

Place: Noida
Date: May 24, 2022

ANNEXURE C TO THE REPORT ON CORPORATE GOVERNANCE

CERTIFICATE CONFIRMING NON-DISQUALIFICATION OF DIRECTORS

For the Financial Year ended March 31, 2022

[Pursuant to Regulation 34(3) and Clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Oriental Carbon & Chemicals Limited
CIN: L24297GJ1978PLC133845

We have examined the relevant registers, records, forms, returns and disclosures from Directors of **Oriental Carbon & Chemicals Limited** having CIN: L24297GJ1978PLC133845 and having its Registered Office at Plot No. 30-33, Survey No. 77, Nishant Park, Nana Kapaya, Mundra, Kachchh, Gujarat - 370415 (hereinafter referred to as 'the Company'), produced before us by the Company, for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification, as considered necessary (including Directors' Identification Number (DIN) status at the portal www.mca.gov.in) and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company, as detailed below, during the financial year ended March 31, 2022, have been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority :

Sr. No.	Name of Director	DIN	Designation	Date of Appointment*
1.	Mr. Jagdish Prasad Goenka	00136782	Non-executive Chairman & Promoter Director	20/03/1985
2.	Mr. Arvind Goenka	00135653	Managing Director & CEO (Promoter)	21/05/1986
3.	Mr. Akshat Goenka	07131982	Joint Managing Director (WTD) (Promoter)	14/05/2015
4.	Mr. Suman Jyoti Khaitan	00023370	Independent Director	29/05/1998
5.	Mr. Om Prakash Dubey	00228441	Independent Director	24/07/2009
6.	Mr. Brij Behari Tandon**	00740511	Independent Director	27/07/2007
7.	Mr. Kailasam Raghuraman	00320507	Independent Director	28/01/2009
8.	Mrs. Runa Mukherjee	02792569	Independent Director	16/03/2015
9.	Ms. Kiran Sahdev	06718968	Nominee Director (LIC)	30/01/2020

* As per MCA Portal www.mca.gov.in

** Resigned with effect from January 31, 2022.

Ensuring the eligibility of every Director for the appointment/continuity on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For P. SARAWAGI & ASSOCIATES
Company Secretaries

P. K. Sarawagi
Proprietor
Membership No. : FCS-3381
Certificate of Practice No. : 4882
Peer Review Certificate No. 1128/2021
ICSI UDIN : F003381D000691376

Place: Kolkata
Date : July 29, 2022

ANNEXURE D TO THE REPORT ON CORPORATE GOVERNANCE

Independent Auditor's Certificate on Corporate Governance

To the Members of
Oriental Carbon & Chemicals Limited

We have examined the compliance of conditions of Corporate Governance by **Oriental Carbon & Chemicals Limited ("the Company")** for the year ended 31st March, 2022, as stipulated in Regulations 17-27 and clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges.

Management's Responsibility

The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the terms and conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2022.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C , D and E of schedule v of the Listing Regulations during the year ended 31st March, 2022.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For S S Kothari Mehta & Co.
Chartered Accountants

Firm Registration Number: 000756N
Naveen Aggarwal
Partner
Membership No.:094380
UDIN No. 22094380AOHSYP5675

Place: Noida
Date: 29th July 2022

BUSINESS RESPONSIBILITY REPORT

FOR THE FINANCIAL YEAR 2021-22

[Pursuant to Regulation 34(2) (f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Introduction

Oriental Carbon & Chemicals Limited, incorporated in 1978, belongs to the JP Goenka Group of Companies. The Company is a globally respected manufacturer of Insoluble Sulphur. We possess more than 25 years of experience in manufacturing this product. Over the years, our knowledge has translated into the ability to manufacture customised and value-added grades of Insoluble Sulphur for our customers. This has enabled us to address the demanding requirements of some of the largest global tyre manufacturers.

The Company is driven by a profound sense of customer service and its obligation towards the environment and the community. Our mindset reflects in proactive investments in people, plant & processes, to deliver quality product and efforts to reduce our impact on the environment such as carbon footprint and water. We are focused on Interactive technical services with our clients. This capability has enabled us to provide holistic solutions to our customers.

General Information about the Company

1. **Corporate Identity Number (CIN) of the Company:** L24297GJ1978PLC133845
2. **Name of the Company:** Oriental Carbon & Chemicals Ltd
3. **Registered address:** Plot No. 30-33, Survey No. 77, Nishant Park, Nana Kapaya, Mundra, Kachchh, Gujarat-370415
4. **Website:** www.occlindia.com
5. **E-mail id:** investorfeedback@occlindia.com
6. **Financial Year reported:** 2021-22
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

   The Company is engaged in Manufacturing rubber chemicals /chemicals. The key products are as follows.

Product	NIC Code (2008) of product/service
Manufacture of Organic and Inorganic chemical compounds n.e.c.	20119

8. **Number of national locations where business activity is undertaken by the Company:**

   The Company's manufacturing plants are situated at Dharuhera, Haryana and Mundra, Gujarat.

   The Company has one distribution warehouse in Chennai.

   The Company's Registered Office is situated at Plot No. 30-33, Survey No. 77, Nishant Park, Nana Kapaya, Mundra, Kachchh, Gujarat-370415 and Corporate Office is situated at 14th Floor, Tower-B, World Trade Tower, Plot no. C-1, Sector-16, Noida-201301, Uttar Pradesh.

9. **Markets served by the Company:**

   Domestic:

   Insoluble Sulphur: Supplied all over India, our share in the domestic market is about 60%.

   Sulphuric Acid: North India.

   Global :

   Insoluble Sulphur: Market served are Europe, Asia, North America, South America and Africa.

FINANCIAL DETAILS OF THE COMPANY:

1. Paid-up capital (₹ in lacs): 999.01
2. Total Turnover (₹ in lacs): 38778.76
3. Total profit after taxes (₹ in lacs): 3994.74
4. Total spending on CSR activities undertaken by the Company as percentage of profit after tax (%): 4.64%
5. List of activities in which CSR Expenditure done:

   Please refer the Report on the CSR activities forming part of the Annual Report for the financial year 2021-22.

OTHER DETAILS:

1. Structure of the Company - Group / Joint ventures / Associates / Holding / Subsidiaries

   There is no group, associates and Joint ventures. The Company has a listed subsidiary, Duncan Engineering Ltd (formerly known as Schrader Duncan Limited) as at March 31, 2022.

2. Details of business of the subsidiaries

   The Company's subsidiary Duncan Engineering Ltd (DEL) is India's pioneer in the field of Industrial Pneumatics and Off-Highway Tyre (OTR) accessories. Catering to the Indian industry for over four decades, the Company is ISO 9001 / TS 16949 certified and listed on BSE. DEL has a strong presence in the Indian OEM and aftermarket segments across all regions through a penetrating network of sales offices and channel partners/distributors. Fluid Power & Automation (FPA) portfolio includes Pneumatics, Hydraulics and Valve Automation Systems (standard catalogue, bespoke products and customised solutions) for diverse applications in segments like Metals, Energy & Environment, Cement, Printing & Packaging , Pharma, Machine Tools, Material Handling, Process, Construction Machinery and other general engineering industries. It has integrated state-of-the-art manufacturing facility at Ranjangaon, Pune, Maharashtra.

3. Participation of subsidiary companies in the Business Responsibility (BR) initiatives of the Parent Company: No participation from Subsidiary Companies

4. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities?

   No participation from other entity.

BUSINESS RESPONSIBILITY INFORMATION

1. **Details of Director/Officers responsible for Business Responsibility (BR):**

   a. Details of Director responsible for overseeing the implementation of BR Policy:

      i) DIN: 00135653

      ii) Name: Mr. Arvind Goenka

      iii) Designation: Managing Director

   b. Details of the BR Head:

      i) DIN: Not Applicable

      ii) Name: Anurag Jain

      iii) Designation: Chief Financial Officer

      iv) Telephone number: +91-0120-2446850

      v) E-mail id: anuragjain@occlindia.com

2. **Principle-wise (as per NVGs) BR Policy/policies:**

   - Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability [P1]
   - Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle [P2]
   - Principle 3: Businesses should promote the wellbeing of all employees [P3]
   - Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised. [P4]
   - Principle 5: Businesses should respect and promote human rights [P5]
   - Principle 6: Business should respect, protect, and make efforts to restore the environment [P6]
   - Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner [P7]
   - Principle 8: Businesses should support inclusive growth and equitable development [P8]
   - Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner [P9]

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	The Policy have been approved by the Board of Directors and the policies have been framed considering the best interests of the stakeholders.								
3	Does the policy conform to any national / international standards? If yes, specify?	Yes, the policies are based on 'National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business'								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes, the Policies have been approved by the Board of Directors and signed by the Managing Director on behalf of the Board of Directors of the Company.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Company's respective official(s) are authorised to oversee the implementation of the Policy.								
6	Indicate the link for the policy to be viewed online?	www.occlindia.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, the policies have been posted on the Company's website and communicated to all internal stakeholders.								

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Company has received Responsible Care Logo from Indian Chemical Council and Eco Vadis Gold rating. It also get periodically audited by Customer on many of the Principles.								

3. Governance related to BR

(a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.**

The Management of the Company assesses the BR performance during last quarter of the financial year.

(b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Yes. The same forms part of the Company's Annual Report for the financial year 2021-22. The same can be accessed at: https://www.occlindia.com/investor-relation/.

PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the company?**

The Company has a 'Code of Conduct for Board Members and Senior Management' to protect our core values in the conduct of Business. The policy was approved by the Board of Directors of the Company to maintain transparency is dealings with suppliers, contractors and other stakeholders.

The core values of the Company imbibes high standards of Ethical & Moral Behaviour and our employees who directly deal with third parties, ensure that all such dealings are conducted ethically, morally and with personal and professional integrity.

2. **Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

No. However, the Company encourages its stakeholders to follow the code.

3. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

There was neither any complaint pending as on April 01, 2021 nor any such complaint was received during the financial year 2021-22.

Principle 2 : Safety and Sustainability of Goods

1. **Are there any products or services of the Company whose design has incorporated social or environmental concerns, risks and/ or opportunities?**

Our Insoluble Sulphur is REACH compliant and conforms to all environmental parameters applicable in India.

It is Oil coated to reduce the risk of combustion or contamination through spillage.

Use of Insoluble Sulphur instead of sulphur helps towards making more environment friendly tyres.

Insoluble Sulphur yields faster process in manufacturing of tyres thereby resulting in saving of power and fuel.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.):**

   a. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   The company achieved a reduction of about 300 KL per day in water consumption at its plant.

   Procurement of molten Sulphur has reduced process of palletisation at the refinery and melting at our Plant.

   Reduction in consumption of energy achieved by reducing wastages in the process and shifting to propane from liquid fuel.

   b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

   No specific data available.

   High Stability Insoluble Sulphur yields faster process in manufacturing of tyres thereby resulting in saving of power and fuel.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?**

The Company has well established system of sustainable sourcing of inputs including transportation. The Company has been able to maintain a very good relationship with its suppliers and most of them have been associated with the Company since long. The Company always places orders with its suppliers well in advance to ensure timely receipt of raw materials. Further, the Company has a long-term arrangement with all the transporters directly engaged by it. The Company always strive to focus on alternative and environment friendly sourcing of its inputs. At Dharuhera Plant, the Company has shifted to use of Steam produced in Acid Plant instead of Gas for producing Insoluble Sulphur.

The refineries while producing cleaner fuels generate sulphur as a by-product, which is being procured by the Company to manufacture its product. The Company has started procuring molten sulphur thus reducing chances of environmental contamination during transportation.

The Company procures oils which are either REACH compliant or complies with the local environmental requirement.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   The Company is procuring goods like packing materials, consumables and spares etc. and services from more than 272 (Two Hundred Seventy Two) Micro, Small and Medium Enterprises (MSME) suppliers.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste?**

   The Company as a policy endeavours to recycle all waste including water and by-products and is generally a zero discharge Company.

Principle 3 : Well Being of all employees

1. **Human Resource**

Kind of Human Resources	Total number in the Company
Permanent Employees	418
Hired Employees	
• Temporary	Nil
• Contractual	51
• Casual	Nil
Permanent Woman Employees	4
Permanent employees with disabilities	3
Child Labour	Nil

2. **Do you have an employee association that is recognised by management?**

   Yes, There is a duly recognised Workers Committee at Dharuhera Plant of the Company.

3. **What percentage of permanent employees are members of such employee association?**

   100% of the permanent workers at Dharuhera. (125 employees)

4. **Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:**

   a. Child Labour: Nil
   b. Forced Labour: Nil
   c. Involuntary Labour: Nil
   d. Discriminatory Employment: Nil
   e. Sexual Harassment complaints pending: Nil

   The Company has Policy on Prevention of Sexual Harassment.

5. **What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?**

   (a) Permanent Employees: 94% (385/418)
   (b) Permanent Women Employees: 100% (4/4)
   (c) Casual/Temporary/Contractual Employees: 100% (51/51)
   (d) Employees with Disabilities: 100% (3/3)

Principle 4 : Protection of Stakeholders' Interest

1. **Has the company mapped its internal and external stakeholders?**

   Yes

2. **Has the company identified the disadvantaged, vulnerable & marginalised stakeholders?**

   The Company identifies the disadvantaged, vulnerable and marginalised community stakeholders around its manufacturing units and strives to assist them through its CSR initiatives.

3. **What are the steps taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders?**

   The Company has taken several CSR initiatives to engage with the marginalised stakeholders. The Company has been providing financial assistance for education of the poor and needy children and construction of houses, medical infrastructures and provision of solar lights etc. The

Company has also rejuvenated two village ponds in near by villages inorder to increase ground water level to help access to clean water for the villagers.

Principle 5: Respecting and Promoting Human Rights

1. **Does the Company have any policy on human rights?**

   Yes, the Company continuously strives to promote human rights for all by treating people with dignity and respect in the course of conduct of its business. The Company abides by the spirit of the Constitution of India and International guidelines on Human Rights and encourages its business partners to respect human rights.

2. **Does this policy on human rights cover only the Company or extend to the JV/ Suppliers /Contractors / NGOs / Others?**

   OCCL's Human Rights policy applies to all OCCL Employees, others acting on behalf of OCCL and all personnel of contractor /suppliers working at OCCL premises. This applies to all location where OCCL conducts business.

   No complaint was pending in the past and further, no complaint was received pertaining to human rights violation during the financial year 2021-22.

Principle 6 : Respecting, Protecting and Restoring the Environment

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**

   The Company has in place an 'Environmental Policy" for environment protection. The subsidiary/Group follow the environmental norms as applicable to them.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc?**

   The Company is continuously reducing its carbon footprint by shifting to cleaner fuels and Green sources of Energy. OCCL practices the highest standards of environment compliances that extend beyond the statutory requirements of the day. The result is that the Company's operations are safe for the environment, employees, customers, end consumers and communities.

   The Company has installed/installing rooftop solar power plant with capacity of 1358KWp and is taking initiatives to increase the share of renewable energy in its power consumption.

   The Company has started using gas instead of fuel oil in some applications thus reducing emission of harmful gases. The Company has started partially using Briquettes instead of Coal.

   Surplus heat from Sulphuric Acid plant is used to produce steam for Insoluble sulphur plant.

   Continuous initiatives are being taken to reduce Fuel and power consumption.

3. **Does the company identify and assess potential environmental risks?**

   The Company identifies and assess potential environmental risks on a continuous basis for any new CAPEX.

4. **Does the company have any project related to Clean Development Mechanism?**

   The Company continuously engaged in projects to reduce emission. The Company has also installed solar powered street lights in the panchayat areas near its Plant.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.**

   Yes, The Company has undertaken several initiatives on clean technology, energy efficiency and renewable energy. It can be accessed through the following link: http://www.occlindia.com/our-background/#environment-responsibility

   The Company has installed rooftop solar power plant with capacity of 1358KW and is taking initiatives to increase the share of renewable energy in its power consumption.

   Initiatives to increase share of solar power in electricity consumption.

   Initiatives to shift to gas from liquid fuel.

   Shift from Coal to Briquettes.

   Reduction in fuel consumption projects.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes, the emissions/waste generated by the Company for financial year 2021-22 are within permissible limits given by CPCB/SPCB(s) of the respective units.

   The manufacturing locations of the Company have obtained the respective state government consents to operate. The emissions of air, water and solids are covered in this consent. Necessary authorizations have also been obtained for storage, transportation and disposal of hazardous wastes at recognised landfills of Pollution Control Boards.

7. **Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   As on 31 March, 2022, there is no show cause notice or legal notice received from CPCB/SPCB are pending.

Principle 7 : Responsibility Towards Public and Regulatory Policy

1. **Whether the Company is a member of any trade/chamber association?**

   The Company is the member of ICC (Indian Chemical Council), CHEMEXCIL (Chemicals Export Promotion Council), FIEO, EOU and SEZ Export Promotion Council, CII, FICCI, PHD Chamber of Commerce.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)?**

   The Company has participated water rejuvenation projects of PHD CC.

Principle 8: Iinclusive Growth and Equitable Development

1. **Does the Company have specified programmes / initiatives / projects in pursuit of the inclusive growth and equitable development? If yes details thereof.**

   The Company undertakes the initiatives through the Corporate Social Responsibility (CSR) Committee of the Board as per the CSR Policy of the Company. For details of initiatives taken up the Company during the financial year 2021-22, please refer the Report on the CSR activities forming part of the Annual Report for the financial year 2021-22.

2. **Are the programmes / projects undertaken through in-house team / own foundation / external NGO /government structures / any other organization?**

   The CSR projects of the Company are undertaken both in-house as well as through Charitable Trust formed by the company for the purpose of CSR and third parties.

3. **Have you done any impact assessment of the initiative indicated above?**

   The CSR Committee consciously reviews the CSR projects periodically.

4. **What is your Company's direct contribution to Community Development Projects (CDP)? – Amount in and the details of the projects undertaken.**

   Rejuvenation of Ponds in two villages for ground water recharging and improvement in quality of water.

   Solar Lighting provided in a village.

   Please refer the Report on the CSR activities forming part of the Annual Report for the financial year 2021-22 containing the details on CSR spending.

5. **Have you taken steps to ensure that this CDP is successfully adopted by the community? Please explain.**

   The water recharge and efficacy of ponds is being monitored and report being generated on periodic basis.

   The projects have been implemented with the cooperation of the respective Panchayat.

Principle 9 : Engaging and Enriching Customer Value

1. **What percentage of customer complaints /consumer cases are pending as on the end of financial year?**

   Out of the Complaints raised during the year two complaints were under resolution as at the end of financial year.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. /Remarks (additional information)**

   In case of packaged products all the labeling requirements mandated by local laws and laws of the destination countries are complied with. Further, each product also carries additional information on handling, safety and traceability is also ensured through batch numbers.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, Irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.**

   No

4. **Did your Company carry out any consumer survey / consumer satisfaction trends?**

   Our Customers are B2B. However, Customers are engaged on a continuous basis to understand their satisfaction trends and expectations from our products.

On behalf of the Board of Directors

	Arvind Goenka	Akshat Goenka
Place: Noida	Managing Director	Jt. Managing Director
Date : 29th July, 2022	DIN-00135653	DIN-07131982

Independent Auditors' Report

To
The Members,
Oriental Carbon & Chemicals Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Oriental Carbon & Chemicals Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note no. 33(c) of the standalone financial statements which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management.

Our opinion on these standalone financials is not modified in respect of the matter.

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	The Company recognizes revenue on satisfaction of performance obligations upon transfer of control of promised products to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those products. In determining the transaction price for the sale, the Company considers the effects of variable consideration and consideration receivable from the customer. As at 31st March 2022, the Company's statement of profit and loss included Sales of INR 37,814.75 Lakh. The nature of rebates and sales returns, if any, involve judgment in determining sales revenues and revenue cut-off. The risk is, therefore, that revenue may not be recognised in the correct period or that revenue and associated profit is misstated.	1. We performed walkthroughs to understand the adequacy and the design of the revenue cycle for all significant components. We tested controls in the revenue and trade account receivables cycles over the accuracy and timing of revenue accounted in the financial statements. 2. We checked the contracts of customers (giving due regards to inco- term) along with revenue recognition policy applied by the Company to ensure satisfaction of performance obligation upon transfer of control of products to customer at a point in time. Our checking procedure includes consideration of the accounting and presentation of the rebates and discount arrangements.

Sr. No.	Key Audit Matter	Auditor's Response
	Refer to Accounting policies Note 1(III)(h) and Note No.15 of the standalone Financial Statements.	3. In addition to substantive analytical reviews performed to understand how the revenue has trended over the year, we performed a detailed testing on transactions around the year-end, ensuring revenues were recognized in the correct accounting period. We also tested journal entries recognized to revenue focusing on unusual or irregular transactions. 4. We validated the appropriateness and completeness of the related disclosures in Note No. 15 of the Standalone financial statements.

Information Other than the Standalone 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 Company's Annual report particularly with respect to Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information identified above if, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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), the Statement of Cash Flow and Statement of Change in Equity dealt with by this report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with relevant rule issued thereunder.

   (e) On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of sub-section 2 of section 164 of the Act.

   (f) 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.

   (g) With respect to the adequacy of the internal financial controls with reference to the financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. and

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

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements – Refer Note 29 to the standalone financial statements.

ii. The company has made adequate provision, as required under the law or accounting standards for material foreseeable losses, if any on long term contracts including derivative contracts.

iii. There has been no delay in transferring amount, 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. As stated in Note No 9 to the standalone financial statements

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The interim dividend declared and paid by the Company during the year is in compliance with Section 123 of the Act.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm's Registration Number: 000756N

Naveen Aggarwal
Partner
Membership Number: 094380
UDIN 22094380AMFBVY9678

Place: Noida
Date: 24th May 2022

"Annexure A" to the Independent Auditors' Report

The Annexure **as referred in paragraph (1) 'Report on Other Legal and Regulatory Requirements** of our Independent Auditors' Report to the members of **Oriental Carbon & Chemicals Limited** on the standalone financial statements for the year ended March 31, 2022, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

   a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

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

   b. According to the information and explanation provided to us, the Property, Plant & Equipment and right to use assets have been physically verified by the management according to programme of periodical verification in a phased manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its Assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification in the current year.

   c. According to the information and explanation given to us and based on our examination of records, we report that, the title deeds of all immovable properties disclosed in the financial statements included under Property, Plant and Equipment (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company as at the balance sheet date. However, in case of one immovable property, although allotment letter is there in favour of the Company, but registry is yet to take place. ((Refer Note no 2(ii) of the financial statements)

   d. According to the information and explanation given to us and based on our examination of records, the Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.

   e. According to the information and explanation given to us and based on our examination of records, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) According to the information and explanations given to us and based on our examination of the records of the Company, the inventory (except stock in transit, for which material have been received subsequently) has been physically verified at reasonable intervals and the procedures of physical verification of inventory followed by the management are reasonable in relation to the size of the Company and nature of its business. As far as we could ascertain and according to the information and explanations given to us, no material discrepancies were noticed between the physical stock and book records.

   (b) According to the information and explanation given to us and based on our examination of records, the company has been sanctioned Working capital limits against Current assets in excess of five crore rupees, in aggregate, from banks or financial institutions. The returns filed at the end of each quarter with bank during the year are materially in agreement with books of accounts of company.

iii. (a) In our opinion and according to the information and explanations given to us, the Company has made investments in the companies. However, it has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the para 3 (iii) (a), 3(iii) (c) to 3 (iii) (f) are not applicable.

   (b) The investments made are not prejudicial to the company's interest;

iv. According to the information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013 with respect to the loans, investments, guarantees and security provided as applicable.

v. In our opinion and as per the information and explanation provided to us, the Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder to the extent notified. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other authority.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for the maintenance of cost records under sub-section 1 of Section 148 of the Companies Act, 2013, in respect of the manufacture of Insoluble Sulphur and chemicals and are of the opinion that, prima facie, the prescribed records and accounts have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determining whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods and Service Tax, Custom Duty, Duty of Excise, Value Added Tax, Cess and other material statutory dues as applicable, with the appropriate authorities. Based on our sample review of material cases, we have not found any delay. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the records and information and explanations given to us, there are no statutory dues referred to in clause 3 (vii)(a) above which have not been deposited on account of any dispute.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) According to the information and explanation given to us and based on our examination of records, the Company has not defaulted in repayment of loans or other borrowings or in the payment of Interest thereon to any lender and hence, reporting under clause 3(ix)(a) of the Order is not applicable

(b) Based on the information and explanations obtained by us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender and hence, reporting under clause 3(ix)(b) of the Order is not applicable.

(c) According to the information and explanation given to us and based on our examination of records, the Company has applied the term loans for the purpose for which the loans were obtained.

(d) According to the information and explanation given to us and based on our examination of records, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company. Accordingly, reporting under this clause 3(ix)(d) of the Order is not applicable.

(e) According to the information and explanation given to us and based on our examination of records, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. Further, the company is not having any joint venture & associates. Accordingly, the reporting under this clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanation given to us and based on our examination of records, the Company has not raised loans on the pledge of securities held in its subsidiary company during the year and hence, reporting under clause 3(ix)(f) of the Order is not applicable.

x. (a) According to the information and explanation given to us and on the basis of our examination of the records, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments or term loans). Hence, reporting under clause 3(x)(a) of the order is not applicable to the company.

(b) According to the information and explanation given to us the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year Hence, reporting under clause 3(x)(b) of the order is not applicable to the company.

xi. (a) As per the information and explanation given to us and on the basis of our examination of the records, we have neither come across any instance of material fraud by the company or on the company or reported during the year, nor have been informed of such case by the management.

(b) According to the information and explanation given to us and based on our examination of records, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have been informed that there are no whistle blower complaints received by the Company during the year (and upto the date of this report). Accordingly, the reporting under the clause 3(xi)(c) of the Order is not applicable.

xii. The company is not Nidhi Company. Accordingly, Clause (xii)(a),(xii)(b)and (xii)(c) of Para 3 of the order is not applicable to the Company.

xiii. As per the information and explanation given to us and on the basis of our examination of the records, the transactions entered into by the Company with the related parties are in compliance with section 177 and 188 of the Act and the details have been disclosed in the financial statements as required by Indian Accounting standard (Ind-As)

xiv. (a) According to the information and explanation given to us and based on our examination of records, in our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date of our report, in determining the nature, timing and extent of our audit procedures

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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of the clause 3(xvi)(a) of the Order are not applicable to the company.

(b) According to the information and explanations given to us and based on our examination of the records, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.

(c) According to the information and explanations given to us and based on our examination of the records, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly, paragraph 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and based on our examination of the records, there is only one core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year, accordingly, reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due

xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing or other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm's Registration Number: 000756N

Naveen Aggarwal
Partner
Membership Number: 094380
UDIN 22094380AMFBVY9678

Place: Noida
Date: 24th May 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements'

We have audited the internal financial controls with reference to financial statements of **Oriental Carbon & Chemicals Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm's Registration Number: 000756N

Naveen Aggarwal
Partner
Membership Number: 094380
UDIN 22094380AMFBVY9678

Place: Noida
Date: 24th May 2022

Standalone Balance Sheet as at 31st March 2022

(₹ in Lakh)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I ASSETS			
1. Non Current Assets			
a. Property, Plant & Equipment	2	43,699.56	32,652.85
b. Capital work in Progress		4,132.41	11,330.91
c. Intangible Assets	3	46.11	36.62
d. Intangible Assets under Development		1.12	6.96
e. Financial Assets			
i. Investments	4a	8,443.87	4,557.21
ii. Loans and Advances	4c	63.37	69.42
iii. Other Financial Assets	4g	775.47	724.61
f. Other Non Current Assets	6	359.50	853.59
TOTAL NON CURRENT ASSETS		**57,521.41**	**50,232.17**
2. Current Assets			
a. Inventories	5	5,887.50	4,005.69
b. Financial Assets			
i. Investments	4b	10,219.52	15,329.53
ii. Trade Receivables	4d	8,076.77	7,480.40
iii. Cash and cash Equivalents	4e	46.54	159.61
iv. Other Bank Balances	4f	157.08	179.60
v. Loans and Advances	4c	69.86	68.70
vi. Other Financial Assets	4g	145.76	276.76
c. Current Tax Assets (Net)	7	48.20	-
d. Other Current Assets	6	953.61	1,381.90
TOTAL CURRENT ASSETS		**25,604.84**	**28,882.19**
TOTAL ASSETS		**83,126.25**	**79,114.36**
II. EQUITY AND LIABILITIES			
A Equity			
a. Equity Share Capital	8	999.01	1,000.53
b. Other Equity	9	54,709.63	52,253.99
TOTAL EQUITY		**55,708.64**	**53,254.52**
B Liabilities			
1. Non Current Liabilities			
a. Financial Liabilities			
i. Borrowings	10a	9,392.17	11,270.07
ii. Lease Liability	10c	572.53	577.32
b. Provisions	12	239.63	232.23
c. Deferred Tax Liabilities (Net)	13	3,030.91	2,541.66
TOTAL NON CURRENT LIABILITIES		**13,235.24**	**14,621.28**
2. Current Liabilities			
a. Financial Liabilities			
i. Borrowings	10b	8,818.74	6,618.87
ii. Lease Liability	10c	4.79	4.39
iii. Trade Payables	10d		
Dues of Micro Enterprises and Small EnterpriseS		189.14	34.56
Dues of Creditors Other than Micro Enterprises and Small Enterprises		2,291.68	1,877.66
iv. Other Financial Liabilities	10e	2,271.04	1,946.87
b. Other Current Liabilities	14	538.20	601.89
c. Income Tax Liability (Net)	11	-	20.87
d. Provisions	12	68.78	133.45
TOTAL CURRENT LIABILITIES		**14,182.37**	**11,238.56**
TOTAL EQUITY AND LIABILITIES		**83,126.25**	**79,114.36**
Notes to Accounts	**1 - 40**		

The accompanying notes referred to above form an integral part of the standalone financial statements.

As per our Report of even date attached

For and on behalf of the Board of Directors

For S S Kothari Mehta & Company
Chartered Accountants
Firm Reg. No. 000756N

Arvind Goenka
Managing Director
DIN-00135653

Akshat Goenka
Jt. Managing Director
DIN-07131982

Naveen Aggarwal
Partner
Membership No. 094380

Pranab Kumar Maity
Company Secretary

Anurag Jain
Chief Financial Officer

Place : Noida
Date: 24th May, 2022

Standalone Statement of Profit And Loss for the year ended March 31, 2022

(₹ in Lakh)

Particulars	Note No.	Year Ended March 31, 2022	Year Ended March 31, 2021
I. Revenue from Operations	15	38,778.76	34,218.11
II. Other Income	16	611.56	249.42
III. Total Income (I+II)		**39,390.32**	**34,467.53**
IV. Expenses:			
Cost of materials consumed	17 (a)	14,049.86	8,070.06
Purchase of stock in trade	17(b)	5.70	-
Changes in Inventories of finished goods, work in progress and stock in trade	18	(590.21)	(161.50)
Employee benefits expenses	19	4,571.18	4,395.28
Finance costs	20	567.27	634.62
Depreciation and amortisation expenses	21	2,300.46	2,098.32
Other expenses	22	13,001.69	9,765.85
Total Expenses (IV)		**33,905.95**	**24,802.63**
V. Profit before tax (III-IV)		**5,484.37**	**9,664.90**
Vi. Income Tax Expense			
Current tax	24(a)	951.69	1,654.51
Deferred Tax (Net)	24(a)	537.94	510.21
Total Income Tax Expense (VI)		**1,489.63**	**2,164.72**
VII. Profit for the period (V-VI)		**3,994.74**	**7,500.18**
VIII. Other Comprehensive Income (Net of Tax)			
Items that will not be reclassified to Profit or Loss			
Remeasurement Gain or (Loss) on Defined Benefit Plans		38.55	(18.86)
Income Tax on the above item	24(b)	(11.23)	5.49
Net Gain or (Loss) on FVTOCI on Equity & AIF Investments		159.64	(2.82)
Income Tax on the above item	24(b)	(29.26)	(28.43)
Total Other Comprehensive Income / (Loss) (Net of Tax)		**157.70**	**(44.62)**
IX. Total Comprehensive income for the period (VII+VIII) (Comprising Profit / (Loss) and Other Comprehensive Income / (Loss) for the period)		**4,152.44**	**7,455.56**
X. Earnings per equity share :			
Basic & Diluted (₹)	26	39.99	75.08
Notes to Accounts	1 - 40		

The accompanying notes referred to above form an integral part of the standalone financial statements

As per our Report of even date attached

For and on behalf of the Board of Directors

For S S Kothari Mehta & Company
Chartered Accountants
Firm Reg. No. 000756N

Arvind Goenka
Managing Director
DIN-00135653

Akshat Goenka
Jt. Managing Director
DIN-07131982

Naveen Aggarwal
Partner
Membership No. 094380

Pranab Kumar Maity
Company Secretary

Anurag Jain
Chief Financial Officer

Place : Noida
Date: 24th May, 2022

Standalone Cash Flow Statement for the year ended March 31, 2022

(₹ in Lakh)

Particulars		Current Year		Previous Year	
A.	**Cash Flow From Operating Activities**				
	Net Profit before tax	**5,484.37**		**9,664.90**	
	Adjustments for:				
	Depreciation & Amortisation Expense	2,300.46		2,098.32	
	(Gain) / Loss on Sale / Discard of Property, Plant & Equipment (Net)	(241.04)		32.64	
	Finance Costs	567.27		634.62	
	Interest Income	(34.31)		(52.20)	
	Effect of Exchange Rate Change on Borrowings	85.33		(223.74)	
	Debts earlier written off, now recovered	-		(0.06)	
	Bad Advances / Debts	0.88		9.68	
	Remeasurement Gain / (Loss) on Defined Benefit Plans	38.55		(18.86)	
	Income From Invsetment segment	(675.81)		(934.75)	
	(Gain) on financial assets measured at fair value through Profit or loss (Net)	(286.88)		(32.64)	
	Operating Profit before Working Capital Changes	**7,238.82**		**11,177.91**	
	Adjustments for :				
	Trade and Other Receivables	(189.51)		(1,235.06)	
	Inventories	(1,881.81)		(588.04)	
	Trade and Other Payables	309.70		733.84	
	Cash generated from Operations before tax	**5,477.20**		**10,088.65**	
	Direct Tax Paid (Net)	(1,109.93)		(1,583.92)	
	Net Cash from Operating Activities		**4,367.27**		**8,504.73**
B.	**Cash Flow From Investing Activities**				
	Payments for purchase of Property, Plant & Equipment including Capital work in progress, Intangible Assets and Capital Advances	(5,359.27)		(8,370.90)	
	Proceeds from sale of Property, Plant & Equipment	440.94		127.49	
	Purchase and Sale of Non Current Investments (Net)	(3,727.02)		(1,601.12)	
	Purchase and Sale of Current Investments (Net)	5,421.84		(3,507.19)	
	Movement in Fixed deposits with Banks	(22.43)		(0.70)	
	Income from Investment Segment Received	752.13		981.12	
	Interest Received	62.75		22.91	
	Net Cash (used in) investing activities		**(2,431.06)**		**(12,348.39)**
C.	**Cash Flow From Financing Activities**				
	Dividend Paid	(1,698.32)		(999.01)	
	Proceeds from Borrowing - Non Current	4,382.06		5,524.46	
	Repayment of Borrowing - Non Current	(4,748.07)		(2,602.81)	
	Borrowing - Current (Net)	602.65		415.08	
	Repayment of Lease Liability	(4.39)		(4.04)	
	Interest and Financial Costs paid (excluding Transfer to Capital Work-in-Progress)	(583.21)		(663.16)	
	Net Cash from/ (used in) Financing Activities		**(2,049.28)**		**1,670.52**

Standalone Cash Flow Statement for the year ended March 31, 2022

(₹ in Lakh)

Particulars	Current Year	Previous Year
Net (decrease) in Cash and Cash Equivalents (A+B+C)	**(113.07)**	**(2,173.14)**
Opening Balance of Cash and Cash Equivalents	**159.61**	**2,332.75**
Closing Balance of Cash and Cash Equivalents	**46.54**	**159.61**
Cash & Cash Equivalents Comprise		
Cash on Hand	6.51	4.09
Balance with Scheduled Banks in Current Accounts and fixed deposits maturing within 3 months	40.03	155.52
	46.54	**159.61**

Notes:

(i) Figures in bracket represent outflows.

(ii) Other Bank Balances of ₹ 153.58 Lakh (Previous Year ₹ 150.10 Lakh) lying in designated account with scheduled banks on account of unclaimed dividend and ₹ 1.50 Lakh (Previous Year ₹ 29.50 Lakh) in Deposit Repayment Reserve Account and Term Deposits maturing beyond three months are not included in Cash and Cash Equivalents. These are shown under Investing Activities.

(iii) Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

As per our Report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm Reg. No. 000756N

Naveen Aggarwal
Partner
Membership No. 094380

Place : Noida
Date: 24th May, 2022

For and on behalf of the Board of Directors

Arvind Goenka
Managing Director
DIN-00135653

Akshat Goenka
Jt. Managing Director
DIN-07131982

Pranab Kumar Maity
Company Secretary

Anurag Jain
Chief Financial Officer

Standalone Statement of Changes In Equity for the year ended March 31, 2022

a) Equity Share Capital

Current Reporting Period

(₹ in Lakh)

Balance at the beginning of the current reporting period	Change in Equity shares capital due to prior period errors	Restated balance at the beginning of the current reporting period	Change in Equity share captial during the current year	Balance at the end of the current reporting period
1,000.53	-	1,000.53	(1.52)	999.01

Previous Reporting Period

(₹ in Lakh)

Balance at the beginning of the previous reporting period	Change in Equity shares capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Change in Equity share captial during the previous year	Balance at the end of the previous reporting period
1,000.53	-	1,000.53	-	1,000.53

b) Other Equity

(₹ in Lakh)

Particulars	Reserves					Other Comprehensive Income (OCI)	Total Other Equity
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings		Equity Instruments through OCI (Net of Tax)	
				Retained Earnings	Remeasurement Gain / (Loss) of the defined benefit plans (Net of Tax)		
Balance as at March 31, 2020	**1,732.18**	**30.85**	**878.07**	**42,749.56**	**(114.58)**	**521.35**	**45,797.43**
Profit/(Loss) for the year ended March 31, 2021	-	-	-	7,500.18	-	-	7,500.18
Other comprehensive income (net of tax) for the year ended March 31, 2021	-	-	-	94.60	(13.36)	(125.85)	(44.61)
Dividend	-	-	-	(999.01)	-	-	(999.01)
Balance as at March 31, 2021	**1,732.18**	**30.85**	**878.07**	**49,345.33**	**(127.94)**	**395.50**	**52,253.99**
Profit/(Loss) for the year ended March 31, 2022	-	-	-	3,994.74	-	-	3,994.74
Gain on Cancellation of forfeited shares	1.52	-	-	-	-	-	1.52
Other comprehensive income (net of tax) for the year ended March31, 2022	-	-	-	327.65	27.32	(197.27)	157.70
Dividend	-	-	-	(1,698.32)	-	-	(1,698.32)
Balance as at March 31, 2022	**1,733.70**	**30.85**	**878.07**	**51,969.40**	**(100.62)**	**198.23**	**54,709.63**

As per our Report of even date attached

For and on behalf of the Board of Directors

For S S Kothari Mehta & Company
Chartered Accountants
Firm Reg. No. 000756N

Arvind Goenka
Managing Director
DIN-00135653

Akshat Goenka
Jt. Managing Director
DIN-07131982

Naveen Aggarwal
Partner
Membership No. 094380

Pranab Kumar Maity
Company Secretary

Anurag Jain
Chief Financial Officer

Place : Noida
Date: 24th May, 2022

NOTE 1: COMPANY OVERVIEW, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

I CORPORATE INFORMATION

Oriental Carbon & Chemicals Limited ("OCCL" or "the Company") is a public limited company domiciled in India and has its Registered Office at Kolkata. The shares of the Company are listed on National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd. The Company's core business is manufacturing and sales of Insoluble Sulphur and Investments as other business. The Company is a global supplier of Insoluble Sulphur. It has two manufacturing facilities, one in Haryana and other one in Gujarat.

II BASIS OF PREPARATION

a) Statement of compliance

These financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 (As amended) notified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act to the extent applicable.

These financial statements were authorised for issue by the Board of Directors on May 24, 2022

b) Basis of measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following:

i. Certain financial assets and liabilities (including derivative instruments) measured at Fair Value / Amortised Cost;

ii. Defined benefit plan assets measured at Fair Value;

c) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional and presentation currency. All amounts have been rounded to two decimal points of lakhs, unless otherwise indicated.

d) Current or Non current classification

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of the business of the Company and its business time cycle from inception of an order and its completion on realization in cash and cash equivalents, the Company has ascertained the operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

e) Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent liabilities and contingent assets as at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to estimates are recognised prospectively.

Application of accounting policies that require critical accounting estimates and assumption judgements having the most significant effect on the amounts recognised in the financial statements are:

Measurement of defined benefit obligations;

Recognition of deferred tax assets & MAT credit entitlement;

Useful life and residual value of Property, plant and equipment and intangible assets;

Measurement of Fair Value of Current Investments;

Measurement of fair value of Equity Investments.

III SIGNIFICANT ACCOUNTING POLICY

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

a) **Property, plant and equipment**

i) **Recognition and measurement**

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Borrowing costs relating to acquisition of qualifying fixed assets, if material, are also included in cost to the extent they relate to the period till such assets are ready to be put to use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The cost of replacing part of an item of property, plant and equipment are recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of all other repairs and maintenance are recognised in the Statement of Profit & Loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other noncurrent assets.

An item of property, plant and equipment is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii) **Depreciation**

Depreciation on property, plant and equipment is provided on the Straight Line Method based on the useful life of assets as prescribed under Schedule II of the Companies Act, 2013, which are as follows:

Buildings including Factory Buildings and Roads	: 5 - 60 years
Plant & Equipment (Including Continuous Process Plant, Components & Laboratory Equipment)	: 5 - 25 years
Electrical Installations	: 10 years
Furniture and Fixtures	: 10 years
Air Conditioners and coolers	: 5 years
Office Equipment	: 5 - 10 years
Motor Vehicles	: 5 years
Computer and Servers & Networks	: 3 - 6 years

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets. Buildings constructed on Right-of-use assets are depreciated based on the useful life prescribed in the Schedule II of the Companies Act, 2013.

Depreciation on additions to or on disposal of assets is calculated on pro-rata basis i.e. from (upto) the date on which the property, plant and equipment is available for use (disposed off).

b) Intangible assets

i) Recognition and measurement

Intangible Assets Acquired Separately

Intangible assets that are acquired by the Company are measured at cost. Subsequent to initial recognition, the assets are measured at cost, less accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate.

All intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. Impairment losses, if any, are recognised immediately in profit or loss.

An item of intangible asset is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of intangible assets is recognised in profit or loss.

ii) Amortisation

Amortization is recognised in the income statement on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use.

The estimated useful lives are as follows:

Software : 5 years

The amortization period and the amortization method for intangible assets are reviewed at each reporting date.

c) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use or fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in Statement of Profit and Loss

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

d) Financial Instruments

i) Initial recognition

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ii) Subsequent measurement

(a) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) Method to gross carrying amount of the financial asset, if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognised or impaired, the gain or loss is recognised in the statement of profit and loss.

(b) Financial assets at fair value through other comprehensive income

Financial instruments are subsequently measured at fair value (at Last available audited information's). On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. Fair value gains and losses recognised in OCI are not reclassified to profit and loss.

(c) Financial assets at fair value through profit or loss

Financial assets which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(d) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(e) Reclassification of Financial Assets and Financial Liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

(f) Investment in subsidiary

Investment in subsidiary is carried at cost.

iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. Except Trade receivables, expected credit losses are measured at an amount equal to the 12-month Expected Credit Loss (ECL), unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime ECL.

With regard to trade receivable, the Company applies the simplified approach , which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

iv) Derecognition

Financial Assets

Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

v) Derivative financial instruments

The Company is exposed to exchange rate risk which arises from its foreign exchange revenues, primarily in Euro and US Dollars. The Company uses foreign exchange forward contracts (derivative financial instruments), to hedge foreign currency risk associated with highly probable forecasted transactions and classifies them as cash flow hedges.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are taken directly to profit and loss.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

The Company makes an assessment, on an on-going basis, of whether the hedging instruments are expected to be "highly effective" in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk.

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

e) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair values for measurement and/ or disclosure purposes are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 - This includes financial instruments measured using quoted prices.

Level 2 - The fair value of financial instrument that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs require to fair value an instrument are observable, the instrument is included in 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 - If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

f) Inventories

Inventories are valued at lower of Cost and Net Realisable value. The cost of finished goods is determined by taking material, labour and related factory overheads including depreciation. Cost of material is determined on weighted average cost basis. Further the cost for Work-in-Progress includes material cost, stage wise direct cost and other related manufacturing overheads including depreciation. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and making the sale.

Cost of raw materials, packing materials, stores and spares are determined on weighted average basis.

Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, the same are written off or provision is made for such inventories.

g) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

h) Revenue from Operations:

(i) Revenue from Contracts with Customers

The Company derives revenue from sale of Insoluble Sulphur, Sulphuric Acid and Oleum. Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognise revenue when or as an entity satisfies performance obligation.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 15.

Sale of Goods

For sale of goods, revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products to customers at an amount that reflects the consideration the Company expects to receive in exchange for those products.

(ii) Investment Income

Investment income is accrued as and when due/reinstated as per the terms of the Investments based on the effective interest rate/appreciation(depreciation) in value of investment as applicable on the basis of quoted price/statements received from the relevant funds/institutions as applicable. Income from Investments is included in revenue from operations in the statement of Profit and Loss.

(iii) Export Benefits

In case of direct exports made by the Company, export benefits arising from Govt. incentives and schemes are recognised on shipment of direct exports.

Revenue from exports benefits are measured at the fair value of consideration received or receivable net of returns.

(iv) Dividends

Dividend income is recognised when the Company's right to receive dividend is established, and is included in other income in the statement of profit and loss.

i) Other Revenue Streams

Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is included in other income in the statement of profit and loss.

j) **Employee Benefits**

i) **Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) **Defined contribution plans**

Employees benefits in the form of the Company's contribution to Provident Fund, Pension scheme, Superannuation Fund and Employees State Insurance are defined contribution schemes. The Company recognises contribution payable to these schemes as an expense, when an employee renders the related service.

If the contribution payable exceeds contribution already paid, the deficit payable is recognised as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the Company recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

iii) **Defined benefit plans**

Retirement benefits in the form of gratuity are considered as defined benefit plans. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The Company contributes to the gratuity fund, which are recognised as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognised in the Balance Sheet.

When the calculation results in a potential asset for the company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) **Other long-term employee benefits**

Employee benefits in the form of long term compensated absences are considered as long term employee benefits. The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement are recognised in profit or loss in the period in which they arise.

The liability for long term compensated absences are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

k) Foreign currency transactions

Initial recognition:

Transactions in foreign currencies are translated into the Company's functional currency at the exchange rates at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange difference:

Exchange differences are recognised in Statement of profit & loss. In accordance with Ind-AS 101 'First Time Adoption of Indian Accounting Standards', the Company has continued the policy of capitalisation of exchange differences on foreign currency loans taken before the transition date. Accordingly, exchange differences arising on translation of long term foreign currency monetary items relating to acquisition of depreciable fixed assets taken before the transition date are capitalized and depreciated over the remaining useful life of the asset.

l) Research and Development Expenses

Revenue Expenditure on Research and Development is charged to Statement of Profit and loss in the year in which it is incurred and capital expenditure is added to Property, Plant & Equipment.

m) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

n) Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in Other Comprehensive Income

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year after taking credit of the benefits available under the Income Tax Act and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

- temporary differences related to investments in subsidiary to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

For operations carried out in tax free units, deferred tax assets or liabilities, if any, have been recognised for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset only if:

a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is probable evidence that the Company will pay normal income tax in future. Accordingly, MAT is recognised as deferred tax asset in the Balance Sheet.

o) Segment Reporting

The accounting policies adopted for the segment reporting are in conformity with the accounting policies adopted for the Company. Primary Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Revenue, Expense, Assets and Liabilities, which relate to the Company as a whole and could not be allocated to segments on a reasonable basis, have been classified as unallocated. Secondary segment is identified based on geography by location of customers i.e. in India and outside India. Inter-segment revenue have been accounted for based on the transaction price agreed to between the segments, which is primarily market based.

p) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

q) Cash flow statement

Cash flow statements are prepared in accordance with "Indirect Method" as explained in the Accounting Standard on Statement of Cash Flows (Ind AS - 7). The cash flows from regular revenue generating, financing and investing activity of the Company are segregated.

r) Lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to Control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non financial assets'.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in other current and non-current financial liabilities (see Note 10c).

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

"Lease liability" and "Right of Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

s) Scheme of Arrangement

The Board of Directors of the Company has approved the Scheme of Arrangement between the Company and OCCL Limited (wholly owned subsidiary of the Company) and their respective shareholders and creditors for the demerger of the Chemical Business undertaking of the Company to OCCL Limited ("Scheme"). The Appointed Date of the Scheme is the Effective Date and the Scheme is subject to approval of requisite regulatory authorities and will be given effect to in the financial results of the Company after receipt of requisite regulatory approvals.

t) Earning per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted Earning per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2 PROPERTY, PLANT & EQUIPMENT

(₹ in Lakh)

Description	Gross Carrying Value				Depreciation / Amortisation				Net Carrying Value	
	As at April 1, 2021	Additions/ adjustments	Sales/ adjustments	As at March 31, 2022	As at April 1, 2021	Additions/ adjustments	Sales/ adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Property Plant & Equipment :										
Land - Freehold	162.59	-	-	162.59	-	-	-	-	162.59	162.59
Right of Use Assets - Land	1,417.86	-	-	1,417.86	327.04	56.48	-	383.52	1,034.34	1,090.82
Building	15,557.90	3,062.87	116.08	18,504.69	3,226.28	382.35	24.54	3,584.09	14,920.60	12,331.62
Plant & Equipment	28,340.09	8,457.95	73.18	36,724.86	11,253.17	1,296.51	44.43	12,505.25	24,219.61	17,086.92
Electrical Installations	2,937.87	1,687.24	124.63	4,500.48	1,810.03	288.29	110.60	1,987.72	2,512.76	1,127.84
Furniture and Fixture	430.25	38.01	15.17	453.09	268.39	32.78	14.28	286.89	166.20	161.86
Vehicles	926.08	171.10	66.42	1,030.76	402.25	158.18	27.50	532.93	497.83	523.83
Air Conditioners and coolers	192.34	16.00	3.79	204.55	134.14	23.91	3.39	154.66	49.89	58.20
Office Equipment	368.32	73.60	13.85	428.07	259.15	45.97	12.79	292.33	135.74	109.17
Total	**50,333.30**	**13,506.77**	**413.12**	**63,426.95**	**17,680.45**	**2,284.47**	**237.53**	**19,727.39**	**43,699.56**	**32,652.85**

Description	Gross Carrying Value				Depreciation / Amortisation				Net Carrying Value	
	As at April 1, 2020	Additions/ adjustments	Sales/ adjustments	As at March 31, 2021	As at April 1, 2020	Additions/ adjustments	Sales/ adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Property Plant & Equipment :										
Land - Freehold	162.59	-	-	162.59	-	-	-	-	162.59	162.59
Right of Use Assets - Land	1,417.86	-	-	1,417.86	270.57	56.47	-	327.04	1,090.82	1,147.29
Building	15,571.09	5.11	18.30	15,557.90	2,863.04	369.80	6.56	3,226.28	12,331.62	12,708.05
Plant & Equipment	28,047.67	547.34	254.92	28,340.09	10,192.25	1,206.62	145.70	11,253.17	17,086.92	17,855.42
Electrical Installations	2,885.80	154.44	102.37	2,937.87	1,672.60	229.20	91.77	1,810.03	1,127.84	1,213.20
Furniture and Fixture	441.20	1.46	12.41	430.25	237.00	34.12	2.73	268.39	161.86	204.20
Vehicles	642.86	328.98	45.76	926.08	315.65	116.16	29.56	402.25	523.83	327.21
Air Conditioners and coolers	182.05	26.01	15.72	192.34	122.27	26.48	14.61	134.14	58.20	59.78
Office Equipment	350.21	36.65	18.54	368.32	236.66	40.01	17.52	259.15	109.17	113.55
Total	**49,701.33**	**1,099.99**	**468.02**	**50,333.30**	**15,910.04**	**2,078.86**	**308.45**	**17,680.45**	**32,652.85**	**33,791.29**

Notes:

(i) Gross Block of vehicles includes ₹ 402.39 Lakh (Previous year ₹ 350.06 Lakh) purchased under Car Finance Scheme.

(ii) Building includes property of ₹ 2,946.70 Lakh pending for registration (Previous year ₹ 2,946.70 Lakh). However allotement letter is in the name of the Company.

(iii) In accordance with Ind AS-101 the exchange differences arising on translation of long term foreign currency loans taken for acquisition of depreciable assets before the transition date are being capitalised and accordingly the net exchange difference for the year amounting to ₹ Nil (Previous year (₹ 5.08) Lakh) have been (adjusted)/capitalised.

Notes to Financial Statements for the year ended March 31, 2022

3 INTANGIBLE ASSETS

(₹ in Lakh)

Description	Gross Carrying Value				Amortisation				Net Carrying Value	
	As at April 1, 2021	Additions/ adjustments	Sales/ adjustments	As at March 31, 2022	As at April 1, 2021	Additions/ adjustments	Sales/ adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Computer Software	317.95	25.48	-	343.43	281.33	15.99	-	297.32	46.11	36.62
Total	**317.95**	**25.48**	**-**	**343.43**	**281.33**	**15.99**	**-**	**297.32**	**46.11**	**36.62**

Description	Gross Carrying Value				Amortisation				Net Carrying Value	
	As at April 1, 2020	Additions/ adjustments	Sales/ adjustments	As at March 31, 2021	As at April 1, 2020	Additions/ adjustments	Sales/ adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Computer Software	302.98	14.97	-	317.95	261.87	19.46	-	281.33	36.62	41.11
Total	**302.98**	**14.97**	**-**	**317.95**	**261.87**	**19.46**	**-**	**281.33**	**36.62**	**41.11**

4 FINANCIAL ASSETS

4(a) NON CURRENT INVESTMENTS

(₹ in Lakh)

Particulars	Face Value / Share	As at March 31, 2022		As at March 31, 2021	
		No. of Shares	Value	No. of Shares	Value
(i) Quoted, Equity shares fully paid up					
Investments Carried at Cost					
Investment in Equity instruments (Subsidiary)					
(1) Duncan Engineering Limited	10/-	1848500	1,453.65	1848500	1,453.65
(ii) Unquoted, Equity/Preference shares fully paid up					
Investments Carried at Fair Value Through OCI					
a) Investment in Equity Shares (Others)					
(1) Duncan International (India) Limited	100/-	8351	318.31	8351	281.40
(2) New India Investment Corporation Limited	75/-	1753	185.56	1753	231.95
(3) Veeda Clinical Research P Ltd	10/-	-	-	779	99.88
(4) Transformative Learning Solutions P Ltd	10/-	27	50.94	-	-
(5) Wingreens Farms Private Limited	10/-	28902	200.00	-	-
(6) Startup Health Just Matters Pvt Ltd*	10/-	65	25.00	-	-
b) Investment in Preference Shares (Others)					
(1) B 9 Beverages Private Limited (CCCPS)	100/-	25837	100.00	25837	100.00
(2) B 9 Beverages Private Limited (CCCPS)	15/-	20000	100.00	-	-
(3) Muhavra Enterprise P Ltd (CCPS)	10/-	96	49.51	96	49.51
(4) High Street Essentials P Ltd (CCPS)	100/-	3307	100.00	-	-
(5) Red Room Technology P Ltd (CCPS)	100/-	163	14.98	-	-
(6) Transformative Learning Solutions P Ltd (CCPS)	100/-	53	100.00	-	-
(7) Transformative Learning Solutions P Ltd (CCPS)	10/-	22	41.51	-	-
(8) Shield Health Care Private Ltd - Investment in CCP	200/-	1302	100.00	-	-
(9) Singularity Furniture Private Limited CCPS	10/-	8628	100.00	-	-
(10) Ocean Drinks Private Limited	10/-	5159	99.98	-	-

4 FINANCIAL ASSETS (contd.)

4(a) NON CURRENT INVESTMENTS (₹ in Lakh)

Particulars	Face Value / Share	As at March 31, 2022		As at March 31, 2021	
		No. of Shares	Value	No. of Shares	Value
(iii) Unquoted, Other Investment					
a) Investment in AIF Funds					
(1) Grand Anicut Fund - II			500.00		500.00
(2) Xponentia Opportunities Fund -I			403.09		308.70
(3) JM Financial India Fund II			177.35		130.80
(4) Paragon Partners Growth Fund-II			586.07		229.20
(5) Fireside Ventures Investment Fund -II			177.33		125.00
(6) Grand Anicut Angel Fund			758.00		137.63
(7) Real Estate Credit Opportunities Fund			450.37		450.00
(8) IQ Start-up Fund IQ Alpha III			454.72		434.49
(9) IQ Start-up Fund IQ Alpha IV			175.00		-
(10) Alteria Capital Fund II Scheme I			375.00		-
(11) Waterbridge Ventures II Trust			250.00		-
(12) WEH Ventures II			97.50		-
b) Investment in NBFC Corporate Deposit					
(1) HDFC Ltd.			1,000.00		-
c) Investment in Convertible Note					
(1) Startup Health Just Matters Pvt Ltd*			-		25.00
TOTAL			**8,443.87**		**4,557.21**
Aggregate Market Value of Quoted Investments			**4,196.10**		**2,123.93**
Aggregate Fair Value of Unquoted Investments			**6,990.22**		**3,103.56**

* Investment in Convertible Notes by the Company have been converted into 65 No's equity shares during the year (Previous year figure shown under unquoted investment in convertible note)

4(b) CURRENT INVESTMENTS (₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Quoted		
a) Investment in Mutual Funds at FVTPL		
(1) DSP Banking and PSU Debt Fund	1,145.08	1,102.64
(March 31, 2022 5886434.31 Units; March 31, 2021 5886434.31 Units)		
(2) HDFC Corporate Bond Fund - Short Term	1,319.89	1,259.02
(March 31, 2022 5050629.31 Units; March 31, 2021 5050629.31 Units)		
(3) ICICI Prudential Corporate Bond Fund	1,206.83	1,157.46
(March 31, 2022 5101624.25 Units; March 31, 2021 5101624.25 Units)		
(4) Aditya Birla Sunlife Banking and PSU Debt Fund	1,153.33	1,101.70
(March 31, 2022 388960.94 Units; March 31, 2021 388960.94 Units)		
(5) IDFC Bond Fund Short Term Plan	526.27	505.81
(March 31, 2022 1132433.38 Units; March 31, 2021 1132433.38 Units)		
(6) Aditya Birla Sunlife Corporate Bond Fund Growth	421.89	401.84
(March 31, 2022 467779.49 Units; March 31, 2021 467779.49 Units)		

4 FINANCIAL ASSETS (contd.)

4(b) CURRENT INVESTMENTS

(₹ in Lakh)

Particulars		As at March 31, 2022	As at March 31, 2021
(7)	ICICI Prudential Saving Fund	417.78	401.05
	(March 31, 2022 96405.02 Units; March 31, 2021 96405.02 Units)		
(8)	HDFC Low Duration Fund	417.86	401.75
	(March 31, 2022 892589.35 Units; March 31, 2021 892589.35 Units)		
(9)	HDFC Short Term Debt Fund	210.59	201.37
	(March 31, 2022 819661.38 Units; March 31, 2021 819661.38 Units)		
b)	**Investment in Bonds**		
(1)	6.99% HDFC Limited		
	Face Value ₹ 10,00,000; (March 31, 2022 Nil Bonds; March 31, 2021 200 Bonds)	-	1,996.89
(ii)	**Unquoted**		
a)	**Investment in Non Convertible Debentures**		
(1)	Krazybee Services Pvt Ltd having coupon rate of 13.5% p.a. with a maturity period of 13 months	-	250.00
b)	**Investment in Debts fund**		
(1)	ESTEE 1 Alpha Fund	1,200.00	500.00
c)	**Investment in NBFC Corporate Deposit**		
(1)	HDFC Ltd.	2,200.00	4,050.00
(2)	LIC Housing Finance Ltd	-	2,000.00
TOTAL		**10,219.52**	**15,329.53**
Aggregate Market Value of Quoted Investments		**6,819.52**	**8,529.53**
Aggregate Market Value of Unquoted Investments		**3,400.00**	**6,800.00**

4(c) LOANS AND ADVANCES

(₹ in Lakh)

Particulars	Non- Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Unsecured, Considered Good				
Other Loans and advances				
Employee Advances	63.37	69.42	69.86	68.70
TOTAL	**63.37**	**69.42**	**69.86**	**68.70**

4 FINANCIAL ASSETS (contd.)

4(d) TRADE RECEIVABLES

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Undisputed, Considered Good	8,076.77	7,480.40
Undisputed, which have significant increase in Credit Risk	-	-
Undisputed, Credit Impaired	-	-
Disputed, Considered Good	-	-
Disputed, which have significant increase in Credit Risk	-	-
Disputed, Credit Impaired	-	-
TOTAL	**8,076.77**	**7,480.40**

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firm or private companies respectively in which any director is a partner, a director or a member other than stated above.

Trade receivables are non-interest bearing and are generally on terms of 30 to 150 days (for ageing analysis refer Note No 33 A (i)).

Impairment of Trade Receivables has been considered ₹ Nil based on the Expected Credit Loss Method and in other cases based on the management judgement.

4(e) CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Balance with banks		
In Current Accounts	40.03	155.52
Cash on hand	6.51	4.09
TOTAL	**46.54**	**159.61**

4(f) OTHER BANK BALANCES

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Other Term Deposits with less than 12 months maturity	2.00	-
Deposit Repayment reserve Account	1.50	29.50
Unpaid Dividend Accounts	153.58	150.10
TOTAL	**157.08**	**179.60**

4(g) OTHER FINANCIAL ASSETS

(₹ in Lakh)

Particulars	Non- Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Unsecured, considered good unless stated otherwise				
Measured at Amortised Cost				
Other Bank Deposits with more than 12 months maturity @	515.88	467.45	-	-
Security Deposits	259.59	257.16	52.97	54.27
Accrued Interest Income	-	-	92.79	222.49
TOTAL	**775.47**	**724.61**	**145.76**	**276.76**

@ Includes Margin Money for Bank Guarantees ₹ 92.78 Lakh (Previous year ₹ 51.06 Lakh)

Notes to Financial Statements for the year ended March 31, 2022

5 INVENTORIES (Lower of Cost or Net Realisable Value)

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Raw Materials (Includes Stock-in-transit ₹ 105.00 Lakh; Previous year ₹ 88.32 Lakh)	2,392.95	1,286.19
Work in Progress	54.54	40.35
Finished Goods	2,610.94	2,012.40
Stores & Spares	749.55	624.66
Fuel	79.52	42.09
TOTAL	**5,887.50**	**4,005.69**

6 OTHER ASSETS

(₹ in Lakh)

Particulars	Non- Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Unsecured, considered good unless stated otherwise				
Export incentive Receivable	-	-	47.90	305.36
Capital Advances *	359.50	853.59	-	-
Assets held for sale (At lower of Book Value and Net Realisable Value)	-	-	-	11.80
Receivable on Foreign Currency Forward Contracts	-	-	97.85	159.57
Balance with Revenue Authorities	-	-	76.84	501.39
Other Receivables	-	-	0.57	-
Insurance Claim Receivable	-	-	-	12.51
Prepaid Expenses	-	-	474.41	280.76
Other Advances	-	-	256.04	110.51
TOTAL	**359.50**	**853.59**	**953.61**	**1,381.90**

*** Includes ₹ 75.00 Lakh (Previous year ₹ 75.00 Lakh) to a Company under liquidation against the use of an office premises which is pending transfer in favour of the Company.**

7 CURRENT TAX ASSETS (NET)

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Current Tax Assets (Net of Provision for Income Tax)	48.20	-
TOTAL	**48.20**	**-**

8 EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Authorised Shares		
1,49,90,000 (Previous year 1,49,90,000) Equity Shares of ₹10 each (Previous year ₹ 10 each)	1,499.00	1,499.00
1,000 (Previous year 1,000) Redeemable Cumulative Preference Shares of ₹ 100 each (Previous year ₹ 100 each)	1.00	1.00
	1,500.00	**1,500.00**
Issued Shares		
99,90,092 (Previous year 1,00,23,844) Equity Shares of ₹ 10 each (Previous year ₹ 10 each)	999.01	1,002.38
	999.01	**1,002.38**
Subscribed & Fully Paid up Shares		
99,90,092 (Previous year 99,90,092) Equity Shares of ₹10 each (Previous year ₹ 10 each)	999.01	999.01
Add: Forfeited Shares (Amount Originally paid up)	**-**	1.52
Total subscribed and fully paid up share capital	**999.01**	**1,000.53**

8 EQUITY SHARE CAPITAL (contd.)

a. Terms / rights attached to Equity Shares

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend. However, same except interim dividend is subject to the approval of the shareholders in the Annual General Meeting.

b. Reconciliation of Shares outstanding at the beginning and at the end of the reporting period

Issued Share Capital

Equity Shares (₹ in Lakh, Unless Otherwise stated)

Particulars	Equity Share (No. of Shares)		Equity Share (Value of Shares)	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Share outstanding at beginning of period	10023844	10023844	1,002.38	1,002.38
Less : Shares cancelled during the year	33752	-	3.37	-
Share outstanding at end of period	**9990092**	**10023844**	**999.01**	**1,002.38**

Subscribed & Paid up

Equity Shares (₹ in Lakh, Unless Otherwise stated)

Particulars	Equity Share (No. of Shares)		Equity Share (Value of Shares)	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Share outstanding at beginning of period	9990092	9990092	999.01	999.01
Share outstanding at end of period	9990092	9990092	999.01	999.01

c. Shareholdings of promoters

Equity Shares

Name of Shareholders	Category	As At March 31, 2022		As At March 31, 2021	
		No of Shares	% of Holding	No of Shares	% of Holding
Cosmopolitan Investments Ltd	Promoter Group	1907528	19.09%	1907528	19.09%
New India Investment Corporation Ltd	Promoter Group	1212136	12.13%	1212136	12.13%
Duncan International (India) Ltd	Promoter Group	994616	9.96%	994616	9.96%
Haldia Investment Company Ltd	Promoter Group	619344	6.20%	619344	6.20%
Aparna Goenka	Promoters	200000	2.00%	200000	2.00%
Arvind Goenka	Promoters	107500	1.08%	107500	1.08%
Akshat Goenka	Promoters	100000	1.00%	100000	1.00%
Disciplined Investments Limited	Promoter Group	30000	0.30%	30000	0.30%

No Change during the year in promoter/ Promoters group shareholding.

d Details of shareholders holding more than 5% shares in the Company other than promoter / promoter's group

Equity Shares

Name of Shareholders	As At March 31, 2022		As At March 31, 2021	
	No of Shares	% of Holding	No of Shares	% of Holding
HDFC Trustee Company Ltd	926250	9.27%	926250	9.27%

9 OTHER EQUITY

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
(I) Reserves		
a. Capital Reserve		
Balance at the beginning of the Financial year	1,732.18	1,732.18
Add : Gain on Cancellation of Forfeited Shares	1.52	-
Balance at the end of the Financial year	1,733.70	1,732.18
b. Capital Redemption Reserve		
Balance at the beginning of the Financial year	30.85	30.85
Balance at the end of the Financial year	30.85	30.85
c. General Reserve		
Balance at the beginning of the Financial year	878.07	878.07
Balance at the end of the Financial year	878.07	878.07
d. Retained Earnings		
Balance at the beginning of the Financial year	49,217.39	42,634.98
Addition during the Financial year	3,994.74	7,500.18
Items of Other Comprehensive Income recognised directly in retained earnings		
- Realised gain from Non Current Equity instrument transferred from Other comprehensive income (Net of Tax)	327.65	94.60
- Remeasurement Gain or (Loss) on Defined Benefit Plans (Net of Tax)	27.32	(13.36)
	53,567.10	50,216.40
Less: Appropriations		
Interim Dividend paid	699.31	399.60
Dividend paid during the year	999.01	599.41
	51,868.78	**49,217.39**
TOTAL (I)	**54,511.40**	**51,858.49**
(II) Items of Other Comprehensive Income		
Balance at the beginning of the Financial year	395.50	521.35
Add: Other Comprehensive Income for the Financial Year		
Net Gain or (Loss) on FVTOCI Non Current Investments (Net of Tax)	130.38	(31.25)
- Realised gain from Non Current Equity instrument transferred to Retained Earning (Net of Tax)	(327.65)	(94.60)
TOTAL (II)	**198.23**	**395.50**
TOTAL OTHER EQUITY (I + II)	**54,709.63**	**52,253.99**

Notes:

(i) Capital Reserve:

The Company had recognised Surplus arising out of transfer of Assets and Liabilities of erstwhile Carbon Black Division to Capital Reserve. Company had 33752 forfeited equity shares of face value of ₹10 each (Previous year 33752 shares, face Value ₹ 10/-) due to non payment of call money by the shareholders. Total amount of gain under capital reserve against the cancellation of these shares during the year is ₹1.52 Lakh (Previous year Nil).

(ii) Capital Redemption Reserve:

An amount of ₹ 30.60 Lakh (equivalent to nominal value of the equity shares bought back and cancelled by the Company in the year ended March 2019) has been transferred to Capital Redemption Reserve from General Reserve pursuant to the provisions of Section 69 of the Companies Act, 2013 and article 8 of the Articles of Association of the Company.

(iii) Items of Other Comprehensive Income

The Company recognises the gain or loss on fair value of non-current investments under Items of Other Comprehensive Income. Realised gain on sale of equity instrument of ₹327.65 Lakh (Previous Year ₹94.60 Lakh) (Net of tax) during the year transferred to retained earning from other comprehensive income as per IND AS 109.

(iv) During the year, the Company has paid Interim dividend of ₹ 7.00; (Previous year ₹ 4.00) per equity share. Now, final dividend of ₹ 7 (Previous year ₹ 10.00) per equity share for financial year 2021-22 is recommended by the Board of Directors, which is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Notes to Financial Statements for the year ended March 31, 2022

10 FINANCIAL LIABILITIES

a) BORROWING (NON CURRENT) **(₹ in Lakh)**

Particulars	Non current Maturities		Current Maturities	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Term Loans - From Banks (Secured) (Refer (i)(a) & (i) (b) below)	9,324.99	11,169.55	4,143.19	2,399.92
Vehicle Loans from Banks (Secured) (Refer (ii) below)	67.18	100.52	76.16	85.46
Public Deposit (Unsecured)	-	-	-	2.95
Less : Current Maturities of Long Term Borrowings	-	-	(4,219.35)	(2,488.33)
TOTAL	**9,392.17**	**11,270.07**	**-**	**-**

Notes:

(i) (a) Securities:

Secured by (i) ₹ 746.54 Lakh, First pari-passu charge on fixed assets including equitable mortgage of factory land and building at SEZ Mundra Unit; First exclusive charge on fixed assets including equitable mortgage of factory land and building at Dharuhera; Second pari-passu charge on entire current assets of the Company; (ii) ₹ 528.91 Lakh, First pari-passu charge on fixed assets including equitable mortgage of factory land and building at SEZ Mundra Unit; Second pari-passu charge on entire fixed assets of Dharuhera Unit including equitable mortgage of factory land and building of Dharuhera Unit; Second pari-passu charge on entire current assets of the Company; (iii) ₹ 380.41 Lakh, First pari-passu charge on entire fixed assets including equitable mortgage of factory land and building of SEZ Mundra Unit; (iv) ₹ 7669.13 Lakh, First pari-passu charge on entire fixed assets including equitable mortgage of factory land and building at Dharuhera and SEZ Mundra Unit; Second pari-passu charge on entire current assets of the Company.

(i) (b) Terms of Repayments of Non-Current portion of Term Loans from Banks

(₹ in Lakh, Unless Otherwise stated)

As At March 31, 2022			As At March 31, 2021		
Outstanding Amount	Repayments		Outstanding Amount	Repayments	
	No. of outstanding Instalments	Periodicity		No. of outstanding Instalments	Periodicity
238.65	1	Quarterly Graded	1,135.82	5	Quarterly Graded
507.89	6	Quarterly Equal	860.61	10	Quarterly Equal
226.13	2	Quarterly Equal	657.71	6	Quarterly Equal
302.78	7	Quarterly Equal	461.05	11	Quarterly Equal
380.41	9	Quarterly Equal	549.22	13	Quarterly Equal
2,157.94	17	Quarterly Equal	1,889.26	20	Quarterly EquaL
2,523.31	12	Quarterly Equal	3,042.64	20	Quarterly Equal
2,247.34	45	Monthly Equal	1,582.00	19	Quarterly Equal
740.54	20	Quarterly Equal	791.31	20	Quarterly Equal
-	-	-	199.93	4	Quarterly Equal
9,324.99			**11,169.55**		

(ii) Secured by hypothecation of vehicles purchased under the scheme and non-current portion of ₹ 67.18 Lakh (Previous year ₹100 .52 Lakh) is repayable in 5 to 19 (Previous year 1 to 28) equated monthly instalments after F.Y. 2022-23 onwards as per the repayment schedule.

10 FINANCIAL LIABILITIES (contd.)

(b) BORROWING (CURRENT) (₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Loans Repayable on Demand		
Working Capital Loans from Bank (secured)		
Cash Credit and Packing Credit (i)	3,508.19	3,938.85
Bill Discounting (i)	1,091.20	191.69
Current Maturity of Long Term Borrowings (Secured)		
Current maturities of Long-Term Borrowings	4,143.19	2,399.92
Current maturities of Vehicle Loans	76.16	85.46
Public Deposit (Unsecured)		
Current maturities of Deposits (ii)	-	2.95
TOTAL	**8,818.74**	**6,618.87**

Securities:

(i) Cash Credit, Packing Credit and Bill Discounting are secured by first pari passu charge on entire current assets of the Company and second pari passu charge over the entire fixed assets at Mundra SEZ Unit and First pari passu charge on entire fixed assets of the Company at Dharuhera unit.

(ii) Deposits from public carries rate of interest @ NIL% (Previous year 7.75%) p.a. and non-current portion of ₹ Nil (Previous year ₹ Nil).

(c) LEASE LIABILITY (₹ in Lakh)

Particulars	Non - Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Lease Liability (Refer Note No. 37)	572.53	577.32	4.79	4.39
TOTAL	**572.53**	**577.32**	**4.79**	**4.39**

(d) TRADE PAYABLES (₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Trade Payables		
Dues of Micro Enterprises and Small Enterprises (Refer Note No. 36)	189.14	34.56
Dues of Creditors Other than Micro Enterprises and Small Enterprises	2,291.68	1,877.66
TOTAL	**2,480.82**	**1,912.22**

Trade Payables Ageing as at March 31 , 2022 (₹ in Lakh)

Outstanding for following periods from due date of payments	Less than 1 year	1-2 Year	2-3 Year	More than 3 year	Total
(i) MSME	189.14	-	-	-	189.14
(ii) Others	2,291.68	-	-	-	2,291.68
(iii) Disputed MSME	-	-	-	-	-
(iv) Disputed Others	-	-	-	-	-
Total	**2,480.82**	**-**	**-**	**-**	**2,480.82**

Trade Payables Ageing as at March 31 , 2021 (₹ in Lakh)

Outstanding for following periods from due date of payments	Less than 1 year	1-2 Year	2-3 Year	More than 3 year	Total
(i) MSME	34.56	-	-	-	34.56
(ii) Others	1,877.66	-	-	-	1,877.66
(iii) Disputed MSME	-	-	-	-	-
(iv) Disputed Others	-	-	-	-	-
Total	**1,912.22**	**-**	**-**	**-**	**1,912.22**

10 FINANCIAL LIABILITIES (contd.)

(e) OTHER FINANCIAL LIABILITIES (CURRENT) (₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Interest accrued on Borrowings	52.64	68.58
Unpaid Dividend	153.58	150.10
Unpaid and Unclaimed Matured Deposits & Interest accrued thereon	3.14	3.58
Creditors for Capital Goods	1,261.18	786.61
Employees liabilities @	762.33	864.67
Directors' Commission	30.28	65.59
Security Deposits	7.89	7.74
TOTAL	**2,271.04**	**1,946.87**

@ Includes dues to Executive Directors ₹149.08 Lakh (Previous year ₹ 223.63 Lakh)

11 INCOME TAX LIABILITY (NET)

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Income Tax Liability (Net of Advance Tax and Tax Deducted at Source)	-	20.87
TOTAL	**-**	**20.87**

12 PROVISIONS

(₹ in Lakh)

Particulars	Non- Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Provision for Employee Benefits (Refer Note No. 27)				
Compensated Absences & Gratuity	239.63	232.23	68.78	133.45
TOTAL	**239.63**	**232.23**	**68.78**	**133.45**

13 DEFERRED TAX LIABILITIES (Net)

(₹ in Lakh)

Particulars		As At March 31, 2022	As At March 31, 2021
The balance comprises temporary differences attributable to:			
Deferred Tax Liabilities			
Property, Plant & Equipment and Intangible Assets		4,712.83	4,068.26
Deferred Tax Liability on FVOCI on Equity Investments & AIF Investment		60.21	120.12
Deferred Tax Liability on Current Investment at Fair Value		93.04	9.50
Deferred Tax Liability on Amortised Value of Upfront Fees of Long Term Loans		0.04	0.25
Deferred Tax Liability on Exchange Difference on Forward Contracts		13.79	17.13
	(A)	**4,879.91**	**4,215.26**
Deferred Tax Assets			
Provision for employee benefits & others		101.76	94.23
MAT credit entitlement		1,747.24	1,579.37
	(B)	**1,849.00**	**1,673.60**
DEFERRED TAX LIABILITIES (Net)	**(A-B)**	**3,030.91**	**2,541.66**

14 OTHER LIABILITIES

(₹ in Lakh)

Particulars	Non- Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Advance received from and Credit balance of Customers	-	-	27.98	16.02
Advance Received from Others	-	-	0.12	21.00
Statutory dues payable	-	-	266.85	227.23
Payable on Foreign Currency Forward Contracts	-	-	95.29	239.56
Other payable	-	-	147.96	98.08
TOTAL	**-**	**-**	**538.20**	**601.89**

15 REVENUE FROM OPERATIONS

Revenue from Contracts with Customers

(i) Disaggregated Revenue Information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(₹ in Lakh)

Segment	Year Ended March 31, 2022			Year Ended March 31, 2021		
	Domestic	Export	Total	Domestic	Export	Total
a) Sale of Manufactures Products						
Insoluble Sulphur	13,890.26	19,640.36	33,530.62	11,375.68	19,069.73	30,445.41
Sulphuric Acid and Oleum	4,284.13	-	4,284.13	2,526.60	-	2,526.60
Total Revenue from Contracts with Customers	**18,174.39**	**19,640.36**	**37,814.75**	**13,902.28**	**19,069.73**	**32,972.01**
b) Export Benefits	**-**	**1.32**	**1.32**	**-**	**278.71**	**278.71**
c) Investment Income						
Profit On Redemption / Maturity of Current Investment (Net)	24.95	-	24.95	4.56	-	4.56
Interest Income						
On Deposit	290.09	-	290.09	749.44	-	749.44
On Bonds	91.16	-	91.16	128.47	-	128.47
Others	65.21	-	65.21	9.58	-	9.58
Income From AIF Investment	204.40	-	204.40	42.70	-	42.70
Net Gain on Fair Value of Current Investments	286.88	-	286.88	32.64	-	32.64
Total Revenue from operation (a+b+c)	**19,137.08**	**19,641.68**	**38,778.76**	**14,869.67**	**19,348.44**	**34,218.11**
Timing of Revenue Recognition						
Goods Transferred at a point of time	**18,174.39**	**19,640.36**	**37,814.75**	**13,902.28**	**19,069.73**	**32,972.01**

(ii) Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Trade Receivables *	8,076.77	7,480.40
Contract Liabilities		
Advance from customers (Refer Note No. 14)	27.98	16.02

* Trade Receivables are non-interest bearing and are generally on terms of 30 to 150 days.

15 REVENUE FROM OPERATIONS (contd.)

(iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Revenue as per Contracted Price	37,885.97	33,201.58
Adjustments		
Rebate & Discount	(71.22)	(229.57)
Revenue from Contracts with Customers	**37,814.75**	**32,972.01**

(iv) The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31, 2022 are, as follows:

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Advance from customers (Refer Note No. 14)	27.98	16.02

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

16 OTHER INCOME

(₹ in Lakh)

Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
Interest Income				
On Deposit	27.09		46.92	
On Loans	7.22	34.31	5.28	52.20
Loans and Debts earlier Written off, now recovered		-		0.06
Net Gain on foreign Currency Translation and Transaction		-		107.53
Net Gain on Foreign Currency Forward Contracts		82.54		-
Rent received		3.96		1.08
Provision no longer Required written back		70.29		5.47
Scrap Sales		148.64		77.67
Profit on sale/discard of Property, Plant & Equipment (Net)		241.04		-
Miscellaneous Income		30.78		5.41
TOTAL		**611.56**		**249.42**

17 (a) COST OF MATERIALS CONSUMED

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Cost of Materials Consumed	14,084.29	8,070.06
Less: Consumption for Trial Run Production	34.43	-
TOTAL	**14,049.86**	**8,070.06**

17 (b) PURCHASE OF STOCK IN TRADE

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Sulphuric Acid	5.70	-
TOTAL	**5.70**	**-**

18 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Lakh)

Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
Inventories at the beginning of the Financial year				
Finished Goods		2,012.40		1,858.02
Work in Progress		40.35		33.23
		2,052.75		1,891.25
Add: Transferred from Trial Run Production				
Finished Goods	6.44		-	
Work-in-Progress	16.08	22.52	-	-
		2,075.27		1,891.25
Inventories at the end of the Financial year				
Finished Goods		2,610.94		2,012.40
Work in Progress		54.54		40.35
		2,665.48		2,052.75
Change in Inventories		**(590.21)**		**(161.50)**

19 EMPLOYEE BENEFITS EXPENSES

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries, Wages and Bonus	4,063.81	3,919.24
Contribution to Provident & other funds (Refer Note No. 27)	188.19	182.69
Gratuity (Refer Note No. 27)	61.10	60.16
Long term compensated absences (Refer Note No. 27)	63.50	68.19
Employees Welfare Expenses	293.74	282.95
	4,670.34	4,513.23
Less: Transfer to Capital Work-in-Progress / Capitalised	99.16	117.95
TOTAL	**4,571.18**	**4,395.28**

20 FINANCE COSTS

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest on financial liabilities measured at amortised cost	939.12	924.97
Other Borrowing Costs	36.18	56.32
	975.30	981.29
Less: Transfer to Capital Work-in-Progress / Capitalised	408.03	346.67
TOTAL	**567.27**	**634.62**

21 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Depreciation on Property, Plant and Equipment (Refer Note No. 2)	2,227.99	2,022.39
Depreciation of Right of use assets (Refer Note No. 2)	56.48	56.47
Amortisation of Intangible Assets (Refer Note No. 3)	15.99	19.46
TOTAL	**2,300.46**	**2,098.32**

22 OTHER EXPENSES

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Stores Consumed	74.73	56.03
Packing cost	871.35	798.12
Power and Fuel	4,050.55	3,063.58
Water Charges	110.79	110.62
Rent	109.92	108.61
Rates and Taxes	141.02	168.15
Insurance	264.85	253.19
Repairs to Buildings	245.02	113.04
Repairs to Machinery	829.57	738.86
Repairs to Others	207.42	172.99
Job & Hiring Charges	145.81	128.76
Freight & Forwarding	4,207.78	2,497.67
Commission and Discount	176.79	164.70
Travelling	94.36	54.85
Legal & Professional	252.79	178.41
Service Charges	234.20	214.04
Loss on sale/discard of Property, Plant & Equipment (Net)	-	32.64
Net Loss on Foreign Currency Translation and Transactions	151.12	-
Net Loss on Foreign Currency Forward Contracts	-	79.99
Bad Advances / Debts	0.88	9.68
Corporate Social Responsibility Expenditure (Refer Note No. 23)	185.34	174.61
Directors' Commission & Fees	56.08	91.16
Auditor's Remuneration (Refer Note No. 22(a))	31.48	26.30
Cost Auditor Fees	1.34	1.34
Miscellaneous	702.18	579.42
	13,145.37	**9,816.76**
Less: Transfer to Capital Work-in-Progress / Capitalised	143.68	50.91
TOTAL	**13,001.69**	**9,765.85**

a. AUDITORS' REMUNERATION

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Audit Fees	23.65	19.50
Certificates & other matters	4.10	3.80
For Tax Audit	3.65	3.00
Reimbursement of expenses	0.08	-
TOTAL	**31.48**	**26.30**

Notes to Financial Statements for the year ended March 31, 2022

23 AMOUNT SPENT ON CSR ACTIVITIES

(₹ in Lakh)

Particulars		Year Ended March 31, 2022	Year Ended March 31, 2021
a)	Gross amount required to be spent by the Company during the year	185.32	174.33
b)	Amount of Expenditure incurred	185.34	174.61
c)	Shortfall at the end of the year	-	-
d)	Total of previous years shortfall	-	-
e)	Reason for the shortfall	-	-
f)	**Nature of CSR activities**		
i)	COVID 19 Relief - Meal, Health, Hygiene and Sanitation	31.49	33.68
ii)	Community Development (Water harvesting /Rejuvenation Program / Eonomics backwardness study)	26.00	39.32
iii)	Promoting Education, Mid Day Meal, Skill Development Programme and Livelihood enhancement	127.17	101.42
iv)	Administrative expenses & other Misc Work	0.68	0.19
Total (f)		**185.34**	**174.61**
g)	Details of related party transactions - contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	5.00	46.00
h)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately		

24 INCOME TAX EXPENSE

a) Income tax recognised in Profit and Loss

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Current tax expense		
Current tax on profits for the year	783.83	1,912.35
Taxation Adjustment in respect of earlier years (Net)	-	(1.93)
MAT Credit Entitlement / (Utilisation)	167.86	(255.91)
	951.69	1,654.51
Deferred tax expense		
Origination and reversal of temporary differences	537.94	510.21
Income tax charged to the statement of profit and loss	**1,489.63**	**2,164.72**

b) Income tax related to items recognised in OCI during the year

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Deferred Tax Expense		
Remeasurement Gain / (Loss) on Defined Benefit Plans	11.23	(5.49)
FVTOCI Equity & AIF Investments	(59.91)	(35.78)
	(48.68)	(41.27)
Income Tax Expense		
FVTOCI on Equity Investment	89.17	64.21
Total Income tax charged to OCI	**40.49**	**22.94**

24 INCOME TAX EXPENSE (contd.)

c) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Accounting profit before tax	**5,484.37**	**9,664.90**
At India's Statutory Income Tax Rate of 29.12% (Previous year 29.12%)	1,597.05	2,814.42
Adjustment for Tax Purposes:		
- Difference in book depreciation & amortisation and depreciation and amortisation as per Income Tax Act, 1961	(616.34)	(123.80)
- 43B Items	0.75	(3.79)
- Items not deductible (Net)	(157.64)	(16.01)
- Items of Previous years (Net)	17.13	(49.04)
- Donation and CSR (Net)	26.51	40.36
- Items of Research Institutions and In-house R&D	-	(9.10)
- Exempted from Tax (Operations from SEZ)	(81.03)	(728.46)
- Others (Net)	(2.60)	(12.23)
At the effective Income Tax Rate of 14.29% (Previous year 19.79%)	**783.83**	**1,912.35**
Income Tax Expenses	783.83	1,912.35
MAT Credit Entitlement / (Utilised)	167.86	255.91
Tax adjustment for Earlier years	-	1.93
Income Tax expenses reported in the Statement of profit and loss	951.69	2,170.19
Deferred Tax expenses /(Income)reported in the Statement of profit and loss	537.94	510.21
	1,489.63	**2,680.40**

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Deferred Tax Expense / (Income) relates to the following:		
- Depreciation & amortisation	644.57	192.94
- Mark to Mark Loss / (Gain) on Forward Contract	(3.34)	65.77
- Remeasurement (Gain) / Loss on Defined Benefit Plans	(11.23)	5.49
- Disallowance u/s 43B/37(1)	(7.53)	(10.07)
- Current Investments at Fair Value	83.54	3.54
- Unamortised Cost of Term Loans	(0.21)	(0.61)
- MAT Credit Utilised / (Entitlement) adjusted during the year (Net)	(167.86)	255.91
- MAT Credit (Entitlement) previous year	-	(2.76)
Deferred Tax Expense / (Income)	**537.94**	**510.21**
Deferred Tax Expense / (Income) recognised in Other Comprehensive Income	(48.68)	(41.27)
Total Deferred Tax Expense / (Income)	**489.26**	**468.94**
Deferred Tax relates to the following:		
- Accelerated depreciation for tax purposes	4,712.83	4,068.26
- Disallowance u/s 43B/37(1)	(101.76)	(94.23)
- Current Investments at Fair Value	93.04	9.50
- Non-Current Investments at Fair Value	60.21	120.12
- Foreign Exchange Forwards	13.79	17.13
- Unamortised Cost of Term Loans	0.04	0.25
- MAT Credit *	(1,747.24)	(1,579.37)
Net Deferred Tax (Assets)/ Liabilities	**3,030.91**	**2,541.66**
Reflected in the balance sheet as follows:		
Deferred Tax Liabilities	4,866.12	4,198.14
Deferred Tax Assets	1,835.21	1,656.48
Deferred Tax Liabilities (Net)	**3,030.91**	**2,541.66**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

* During the year the Company (Created) / Utilise MAT Credit amounting to (₹ 167.86 Lakh) (Previous year ₹ 255.91 Lakh).

25 RESEARCH AND DEVELOPMENT EXPENSES

Details of Expenditure on Research and Development Facilities/ divisions of the Company recognised by Department of Scientific and Industrial Research.

a) Revenue Expenditure **(₹ in Lakh)**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Employee Benefit Expenses		
Salaries, Wages and Bonus	116.65	110.82
Contributions to Provident & Other Funds	4.32	4.29
Employee welfare Expenses.	0.84	4.44
TOTAL	**121.81**	**119.55**
Consumption of Consumables	7.17	5.90
Repair to Machinery	10.00	13.26
Rates Taxes and Fees	0.04	0.01
Auditor's Remuneration	-	0.34
Travelling and Conveyance	0.70	-
Loss on sale/discard of Property, Plant & Equipment (Net)	-	2.07
Miscellaneous Expenses	5.00	11.96
TOTAL	**22.91**	**33.54**
Depreciation		
Depreciation	21.12	13.85
TOTAL	**21.12**	**13.85**
Total Expenditure	**165.84**	**166.94**

b) Capital expenditure **(₹ in Lakh)**

Particulars	Year Ended March 31, 2021	Additions during the year	Sale/ Adjustments during the year	Year Ended March 31, 2022
Buildings	-	-	-	-
Equipments and Others	163.60	106.81	0.06	270.35
TOTAL	**163.60**	**106.81**	**0.06**	**270.35**

26 EARNINGS PER SHARE

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
a) Net Profit for Basic & Diluted EPS (in ₹ Lakh)	3,994.74	7,500.18
b) Weighted Average Number of Equity Shares for Basic & Diluted EPS	9990092	9990092
c) Earning Per Share - Basic & Diluted (₹)	39.99	75.08
d) Face value per share (₹)	10.00	10.00

27 EMPLOYEE BENEFITS

The Company participates in defined contribution and benefit schemes, the assets of which are held (where funded) in separately administered funds. For defined contribution schemes the amount charged to the statements of profit or loss is the total of contributions payable in the year.

a) Defined Contribution Plans

Amount recognized as an expense and included in Note No. 19 Item "Contribution to Provident and Other Funds" ₹ 188.19 Lakh (Previous year ₹ 182.69 Lakh) Consist of Contribution to Superannuation Fund ₹ 5.05 Lakh (Previous year ₹ 4.60 Lakh) and to Provident and other funds ₹ 183.14 Lakh (Previous year ₹ 178.09 Lakh).

b) Other long-term benefits

Amount recognized as an expense and included in Note No. 19 Item "Long Term Compensated Absences" ₹ 63.50 Lakh (Previous year ₹ 68.19 Lakh) includes ₹ 37.70 Lakh (Previous Year ₹ 12.66 Lakh) on account of Actuarial valuation.

c) Defined benefits plans - as per actuarial valuation

Gratuity Expense ₹ 61.10 Lakh (Previous year ₹60.16 Lakh) has been recognized in "Gratuity" under Note No. 19 as per Actuarial Valuation.

(₹ in Lakh)

	Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
		Gratuity	Long term Compensated Absences	Gratuity	Long termn Compensated Absences
		Funded	Non -Funded	Funded	Non -Funded
I.	**Change in present value of obligation during the year**				
	Present value of obligation at the beginning of the year	657.47	286.66	644.57	302.75
	Included in profit and loss:				
	Current Service Cost	52.89	32.39	52.85	28.12
	Interest Cost	44.35	19.34	43.48	20.42
	Past Service Cost	-	-	-	-
	Actuarial losses/(gains)				
	Experience Judgement	-	(0.87)	-	(35.88)
	Financial assumption	-	(13.16)	-	-
	demographic assumptions	-	-	-	-
	Included in OCI:				
	Actuarial losses/(gains) arising from:				
	Experience Judgement	(9.25)	-	4.35	-
	Financial assumption	(24.12)	-	-	-
	demographic assumptions	-	-	-	-
	Others				
	Benefits Paid	(69.26)	(35.63)	(87.78)	(28.75)
	Present Value of obligation as at year-end	**652.08**	**288.73**	**657.47**	**286.66**
II.	**Change in Fair Value of Plan Assets during the year**				
	Plan assets at the beginning of the year	578.45	-	536.28	-
	Included in profit and loss:				
	Expected return on plan assets	39.02	-	36.17	-

Notes to Financial Statements for the year ended March 31, 2022

27 EMPLOYEE BENEFITS (contd.)

(₹ in Lakh)

Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
	Gratuity	Long term Compensated Absences	Gratuity	Long termn Compensated Absences
	Funded	Non -Funded	Funded	Non -Funded
Included in OCI:				
Actuarial Gain/(Loss) on plan assets	5.18	-	(14.51)	-
Others:				
Employer's contribution	79.02	-	108.29	-
Benefits paid	(69.26)	-	(87.78)	-
Plan assets at the end of the year	**632.41**	**-**	**578.45**	**-**

The plan assets are managed by the Gratuity Trust formed by the Company.

(₹ in Lakh, unless otherwise stated))

	Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
		Gratuity	Long term Compensated Absences	Gratuity	Long termn Compensated Absences
		Funded	Non -Funded	Funded	Non -Funded
III.	**Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets**				
	1. Present Value of obligation as at year-end	652.08	288.73	657.47	286.66
	2. Fair value of plan assets at year -end	632.41	-	578.45	-
	3. Funded status {Surplus/ (Deficit)}	(19.67)	(288.73)	(79.02)	(286.66)
	Net Asset/(Liability)	**(19.67)**	**(288.73)**	**(79.02)**	**(286.66)**
IV.	**Expenses recognised in the Statement of Profit and Loss**				
	1. Current Service Cost	52.89	63.50	52.85	68.19
	2. Actuarial (Gain) / Loss	-	-	-	-
	3. Past Service Cost	-	-	-	-
	4. Net interest Cost/ (Income) on the net defined benefit liability	5.33	-	7.31	-
	Total Expense	**58.22**	**63.50**	**60.16**	**68.19**
V.	**Expenses recognised in the Statement of Other Comprehensive Income**				
	1. Net Actuarial (Gain)/Loss	(33.37)	-	4.35	-
	2. Expected return on plan assets excluding interest income	(5.18)	-	14.51	-
	Total Expense	**(38.55)**	**-**	**18.86**	**-**
VI.	**Constitution of Plan Assets**				
	1. Equity Instruments	-	-	-	-
	2. Debt Instruments	488.80	-	502.30	-
	3. Mutual Fund Units	33.50	-	33.50	-
	4. Bank Balances to be Invested	110.11	-	42.65	-

27 EMPLOYEE BENEFITS (contd.)

(₹ in Lakh, unless otherwise stated))

Particulars		Year Ended March 31, 2022		Year Ended March 31, 2021	
		Gratuity	Long term Compensated Absences	Gratuity	Long termn Compensated Absences
		Funded	Non -Funded	Funded	Non -Funded
VII.	**Bifurcation of PBO at the end of the year**				
	1. Current Liability	19.67	49.10	79.02	54.43
	2. Non-Current Liability	-	239.63	-	232.23
VIII.	**Actuarial Assumptions**				
	1. Discount Rate	7.25%	7.25%	6.75%	6.75%
	2. Mortality Table	100% of IALM 12-14	100% of IALM 12-14	100% of IALM 12-14	100% of IALM 12-14
	3. Salary Escalation	7.00%	7.00%	7.00%	7.00%
	4. Turnover Rate	Age upto 44 Years - 2%, Age above 44 Years - 1%		Age upto 44 Years - 2%, Age above 44 Years - 1%	

IX. Experience Adjustment:

(₹ in Lakh)

Gratuity	2021-22	2020-21	2019-20	2018-19	2017-18
Present Value of obligation	652.08	657.47	644.57	553.92	504.48
Fair value of Plan assets	632.41	578.45	536.28	502.13	440.41
Net Asset/(Liability)	(19.67)	(79.02)	(108.29)	(51.79)	(64.07)
Actuarial (Gain)/Loss on plan obligation	(33.37)	4.35	60.94	7.27	(0.95)
Actuarial Gain/(Loss) on plan assets	5.18	(14.51)	(3.82)	(1.41)	3.37

(₹ in Lakh)

Long term Compensated Absences	2021-22	2020-21	2019-20	2018-19	2017-18
Present Value of obligation	288.73	286.66	302.75	301.65	262.17
Fair value of Plan assets	-	-	-	-	-
Net Asset/(Liability)	(288.73)	(286.66)	(302.75)	(301.65)	(262.17)
Actuarial (Gain)/Loss on plan obligation	(14.03)	(35.88)	(17.16)	3.37	(5.24)
Actuarial Gain/(Loss) on plan assets	-	-	-	-	-

X. Sensitivity Analysis

(₹ in Lakh)

Gratuity	Year ended March 31, 2022		Year ended March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	608.56	702.08	610.65	711.57
Future salary growth (1% movement)	698.44	611.02	708.04	612.80
Employee turnover (50% of Attrition rate)	653.26	650.76	657.42	657.48

XI. Maturity Profile of projected benefit obligation: from the fund

(₹ in Lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	Gratuity Funded	Gratuity Funded
1 Year	114.32	98.35
2 to 5 Years	283.80	296.30
6 to 10 Years	222.80	231.77
More than 10 years	650.31	640.38

27 EMPLOYEE BENEFITS (contd.)

XII. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

a) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

b) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

c) Discount Rate – Reduction in discount rate in subsequent valuations can increase the plan's liability.

d) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

e) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

28 CAPITAL & AIF COMMITMENTS

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Estimated Amount of Capital Commitments outstanding and not provided for (Gross) (Advance paid ₹ 283.64 Lakh (Previous year ₹ 778.49 Lakh))	644.97	4,508.30
Estimated Amount of Investment in AIF Units Commitments outstanding and not provided for *	2,607.55	3,010.73

* Investment to be made over a period upto 5 years.

29 CONTINGENT LIABILITIES

(₹ in Lakh)

	Particulars	As At March 31, 2022	As At March 31, 2021
a.	Claims against the company not acknowledged as debt; VAT (Deposited ₹ Nil; Previous year ₹ 0.13 Lakh;) (Gross)	-	2.10
b.	Bank Guarantees;		
	Bank Guarantees given to various Govt authorities/ others (Gross)(Margin Money / Short Term Deposits ₹ 10.26 Lakh; Previous year ₹ 10.26 Lakh)	10.26	10.26
c.	Bonus liabilities pursuant to the retrospective amendment in the Bonus Act, 1965 for financial year 2014-15 has not been provided considering stay orders of Hon'ble Kerala High Court & Karnataka High Court.	12.53	12.53

30. RELATED PARTY DISCLOSURES

Related party disclosure, as required by Indian Accounting Standard-24, is as below:

I.	Name of the Related Party		Relationship
(a)	Duncan Engineering Limited	:	Subsidiary Company
(b)	Duncan International (India) Limited	:	Enterprise over which relative of key management personnel is having significant influence.
(c)	Cosmopolitan Investments Ltd.	:	Enterprise over which key management personnel is having significant influence.
(d)	New India Investment Corporation Ltd.	:	Enterprise over which key management personnel is having significant influence.
(e)	Haldia Investments Ltd.	:	Subsidiary of Cosmopolitan Investments Ltd.
(f)	Disciplined Investments Ltd.	:	Subsidiary of Cosmopolitan Investments Ltd.

30. RELATED PARTY DISCLOSURES (contd.)

Related party disclosure, as required by Indian Accounting Standard-24, is as below:

II. Key Management Personnel (KMP) & their relatives with whom transactions have taken place:

(a)	**Key Management Personnel (KMP)**		
(i)	Mr. J.P. Goenka	:	Chairman and Relative of Key Management Personnel
(ii)	Mr. Arvind Goenka	:	Managing Director
(iii)	Mr. Akshat Goenka	:	Joint Managing Director
(iv)	Mr. Anurag Jain	:	Chief Financial Officer
(v)	Mr. Pranab Kumar Maity	:	Company Secretary
(vi)	Mr. S.J. Khaitan	:	Non-Executive Director
(vii)	Mr. O.P. Dubey	:	Non-Executive Director
(viii)	Mr. B.B. Tandon (Resigned w.e.f 31.01.2022)	:	Non-Executive Director
(ix)	Mr. K. Raghuraman	:	Non-Executive Director
(x)	Mrs. Runa Mukherjee	:	Non-Executive Director
(xi)	Ms. Kiran Sahdev - Nominee of Life Insurance Corporation of India(LIC)	:	Non-Executive Director@

@ Director's fees paid to Ms. Kiran Sahdev whereas commission paid to LIC

(b) Relatives of Key Management Personnel

(i)	Mrs. Aparna Goenka	Relative of Key Management Personnel

III. Entities Controlled by Key Management Personnel with whom transactions have taken place:

(i)	Oriental CSR Trust	:	Trust in which key management personnel are Trustees
(ii)	Oriental Carbon & Chemicals Limited Employees Gratuity Fund	:	Trust in which key management personnel are Trustees

IV. The following transactions were carried out with related parties in the ordinary course of business: (₹ in Lakh)

Particulars		Year Ended March 31, 2022	Year Ended March 31, 2021
(a) Key Management Personnel (KMP) & their relatives :			
Mr. J.P. Goenka	Commission and Sitting fee	1.25	1.58
Mr. Arvind Goenka	Remuneration#	236.76	266.54
	Sale of Investment	-	(159.52)
	Dividend Paid	18.28	10.75
Mr. Akshat Goenka	Remuneration#	220.81	251.66
	Dividend Paid	17.00	10.00
Mr. Anurag Jain	Remuneration#	153.41	163.99
	Dividend Paid	0.45	0.27
Mr. Pranab Kumar Maity	Remuneration#	42.44	39.07
Mr. S.J. Khaitan	Commission and Sitting fee	15.83	22.13
Mr. O.P. Dubey	Commission and Sitting fee	13.25	18.49
Mr. B.B. Tandon	Commission and Sitting fee	-	16.25

30. RELATED PARTY DISCLOSURES (contd.)

IV. The following transactions were carried out with related parties in the ordinary course of business: (₹ in Lakh)

Particulars		Year Ended March 31, 2022	Year Ended March 31, 2021
Mr. K. Raghuraman	Commission and Sitting fee	10.50	15.17
Mrs. Runa Mukherjee	Commission and Sitting fee	9.00	10.57
Mrs. Kiran Sehdev	Commission and Sitting fee*	6.25	6.98
*Includes ₹ 3.75 lakh (previous year ₹ 5.43 lakh) commission paid to LIC			
(b) Relatives of Key Management Personnel (KMP) :			
Mrs. Aparna Goenka	Dividend Paid	34.00	20.20
(c) Subsidiary Company :			
Duncan Engineering Limited	Expenses Reimbursed / (Recovered) (Net)	(2.99)	(2.47)
	Purchases of Stores & Spares	7.42	12.92
	Purchases of Capital Stores & Spares	6.22	70.50
	Sale of Asset	(9.23)	-
(d) Enterprise over which relative of key management personnel is having significant influence :			
Duncan International (India) Limited	Dividend Paid	169.08	99.46
	Service charges paid	84.00	72.00
	Expenses Reimbursed / (Recovered) (Net)	(7.45)	(6.40)
(e) Enterprise over which key management personnel is having significant influence :			
Cosmopolitan Investments Ltd.	Dividend Paid	324.28	190.75
	Rent paid	82.50	78.60
	Expenses Reimbursed / (Recovered) (Net)	(7.86)	(5.26)
New India Investment Corporation Ltd.	Dividend Paid	206.06	121.41
	Service charges paid	42.30	34.56
	Expenses Reimbursed / (Recovered) (Net)	(0.51)	(0.38)
	Rent Income	(1.08)	(1.08)
(f) Subsidiary Company of Cosmopolitan Investments Ltd :			
Haldia Investments Ltd.	Dividend Paid	105.29	61.53
Disciplined Investments Ltd.	Dividend Paid	5.10	3.00
(g) Trust in which key management personnel are Trustees			
Oriental CSR Trust	Donations towards CSR Activities	5.00	46.00
Oriental Carbon & Chemicals Limited Employees Gratuity Fund	Contribution to Gratuity Fund	79.02	108.29

Excludes Actuarial Valuation of Retirement Benefits.

30. RELATED PARTY DISCLOSURES (contd.)

V. Balances outstanding: (₹ in Lakh)

Particulars		As at March 31, 2022	As at March 31, 2021
(a) Payable to :			
(i) Key Management Personnel (KMP) & their relatives :			
Mr. Arvind Goenka	Remuneration	74.76	111.74
Mr. Akshat Goenka	Remuneration	74.32	111.89
Mr. Anurag Jain	Remuneration	40.04	54.62
Mr. Pranab Kumar Maity	Remuneration	6.08	3.96
Mr. J.P. Goenka	Commission	0.68	1.13
Mr. S.J. Khaitan	Commission	8.55	15.92
Mr. O.P. Dubey	Commission	7.16	13.31
Mr. B.B. Tandon	Commission	-	11.69
Mr. K. Raghuraman	Commission	5.67	10.91
Mrs. Runa Mukherjee	Commission	4.86	7.61
Mrs. Kiran Sehdev	Commission**	3.38	5.01
**Includes ₹ 3.38 lakh (previous year ₹5.01 lakh) commission payable to LIC			
(ii) Trust in which key management personnel are Trustees :			
Oriental Carbon & Chemicals Limited Employees Gratuity Fund		19.67	79.02
(b) Receivable from			
(i) Subsidiary Company :			
Duncan Engineering Limited	Expenses Reimbursed	0.03	0.43

31 SEGMENT REPORTING

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company.

As part of Secondary reporting, revenues are attributed to Geographic areas based on the location of the customers.

The following tables present the Revenue, Profit, Assets and Liabilities information relating to the Business/Geographical segment for the year ended 31.03.2022

Information about Business Segment - Primary (₹ in Lakh)

Reportable Segments	Chemicals		Investments		Total	
	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Revenue	37,816.07	33,250.72	962.69	967.39	38,778.76	34,218.11
Total Revenue from operations	**37,816.07**	**33,250.72**	**962.69**	**967.39**	**38,778.76**	**34,218.11**
Result						
Segment Result	5,344.22	9,598.15	932.80	955.86	6,277.02	10,554.01
Less : Interest					567.27	634.62
Less : Other unallocable expenditure net off unallocable (income)					225.38	254.49
Profit before tax					**5,484.37**	**9,664.90**
Less: Provision for Taxation(Including Deferred Tax)					1,489.63	2,164.72
Profit for the period					**3,994.74**	**7,500.18**
Other Comprehensive Income (Net of Tax)					**157.70**	**(44.62)**
Total Comprehensive income for the period					**4,152.44**	**7,455.56**
Other Information						
Segment Assets	64,052.62	58,734.91	17,283.47	18,608.08	81,336.09	77,342.99
Unallocated Corporate Assets	-	-	-	-	1,790.16	1,771.37
Total Assets	**64,052.62**	**58,734.91**	**17,283.47**	**18,608.08**	**83,126.25**	**79,114.36**

31 SEGMENT REPORTING (contd.)

(₹ in Lakh)

Reportable Segments	Chemicals		Investments		Total	
	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Segment Liabilities	24,199.69	23,075.10	-	-	24,199.69	23,075.10
Unallocated Corporate Liabilities					3,217.92	2,784.74
Total Liabilities	**24,199.69**	**23,075.10**	**-**	**-**	**27,417.61**	**25,859.84**

Secondary Segment - Geographical by location of customers (₹ in Lakh)

Reportable Segments	Domestic		Export		Total	
	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Revenue	19,137.08	14,869.67	19,641.68	19,348.44	38,778.76	34,218.11
Carrying amount of Trade Receivables	4,109.36	3,657.43	3,967.41	3,822.97	8,076.77	7,480.40
Finished Goods Stock	649.39	572.13	1,961.55	1,440.27	2,610.94	2,012.40

Other Information:

The Company has common assets for producing goods for domestic market and overseas market.

Notes:

(i) The Company is organised into two main business segments, namely;

- Chemicals
- Investments

Segments have been identified and reported taking into account, the nature of products, the differing risks and returns, the organisation structure, and the internal financial reporting systems.

(ii) The segment revenue in the geographical segments considered for disclosure are as follows:

(a) Revenue within India includes sales to customers and investment income in India.

(b) Revenue outside India includes sales to customers located outside India and earnings outside India and export incentives/ benefits.

(iii) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

32 FINANCIAL INSTRUMENTS

Financial instruments – Fair values and risk management

Finanacial Instruments by category

(₹ in Lakh)

Particulars	Fair Value Hierarchy	March 31, 2022			March 31, 2021		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets							
Non-current Assets							
Loans	Level 3	-	-	63.37	-	-	69.42
Investment in Subsidiary	Level 3	-	-	1,453.65	-	-	1,453.65
Investments others	Level 2	-	5,990.22	-	-	3,078.56	-
Investments others	Level 3	-	-	1,000.00	-	-	25.00
Others	Level 3	-	-	775.47	-	-	724.61
Current Assets							
Investments	Level 1	6,819.52	-	-	8,529.53	-	-
Investments	Level 3	-	-	3,400.00	-	-	6,800.00
Trade receivables	Level 3	-	-	8,076.77	-	-	7,480.40
Cash and cash Equivalents	Level 3	-	-	46.54	-	-	159.61

32 FINANCIAL INSTRUMENTS (contd.)

(₹ in Lakh)

Particulars	Fair Value Hierarchy	March 31, 2022			March 31, 2021		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Other Bank balances	Level 3	-	-	157.08	-	-	179.60
Loans	Level 3	-	-	69.86	-	-	68.70
Other Financial Assets	Level 3	-	-	145.76	-	-	276.76
TOTAL		**6,819.52**	**5,990.22**	**15,188.50**	**8,529.53**	**3,078.56**	**17,237.75**
Financial Liabilities							
Non-current Liabilities							
Borrowings	Level 3	-	-	9,392.17	-	-	11,270.07
Lease Liability	Level 3	-	-	572.53	-	-	577.32
Current liabilities							
Borrowings	Level 3	-	-	8,818.74	-	-	6,618.87
Lease Liability	Level 3	-	-	4.79	-	-	4.39
Trade payables	Level 3	-	-	2,480.82	-	-	1,912.22
Other financial liabilities	Level 3	-	-	2,271.04	-	-	1,946.87
TOTAL		**-**	**-**	**23,540.09**	**-**	**-**	**22,329.74**

The fair value of cash and cash equivalents, other bank balances, trade receivables, short term loans, current financial assets, trade payables, current financial liabilities and borrowings at their carrying amount.

Fair value hierarchy

The table shown above analysis financial instruments carried at fair value, by valuation method. The different levels have been defined below:

Level 1 This includes financial instruments measured using quoted prices.

Level 2 The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. There are no transfers between level 1, level 2 and level 3 during the year.

Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

The use of quoted market prices

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date (MTM)

As per Para D-15 of Appendix D of Ind AS 101, Company has opted to value its investment in Subsidiary at Cost.

The fair values for security deposits (assets & liabilities) were based on their carrying values.

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

A Financial risk factors

The Company is exposed to various financial risks i.e. market risk, credit risk and risk of liquidity. These risks are inherent and integral aspect of any business. The primary focus of the Risk Management Policy is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk consists of foreign exchange risk and interest rate risk. The Company calculates and compares the various proposals of funding by including cost of currency hedging also. The Company uses derivative financial instruments (Forward Covers) to reduce foreign exchange risk exposures.

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (contd.)

i. Credit risk

The Company evaluates the customer credentials carefully from trade sources before extending credit terms and credit terms are extended to only financially sound customers. The Company secures adequate advance from its customers whenever necessary and hence risk of bad debt is limited. The credit outstanding is sought to be limited to the sum of advances and credit limit determined by the Company. The Company have stop supply mechanism in place in case outstanding goes beyond agreed limits.

Ageing Analysis of Trade Receivables **(₹ in Lakh)**

Ageing	As At March 31, 2022	As At March 31, 2021
Undisputed Trade Receivables - Considered good		
Upto Six months	8,076.75	7,480.40
Six to Twelve Months	0.02	-
1-2 Years	-	-
2-3 Years	-	-
Above 3 Years	-	-
Gross Carrying Amount	**8,076.77**	**7,480.40**
Expected Credited Losses	-	-
Expected Provision for Doubtful Debts	-	-
Net Carrying Amount	**8,076.77**	**7,480.40**

ii Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of fluctuation in market prices. These comprise three types of risk i.e. currency rate , interest rate and other price related risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

a) Foreign Currency risk

The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to reduce foreign exchange risk exposures and follows its risk management policies to mitigate the same. After taking cognisance of the natural hedge, the company takes appropriate hedges to mitigate its risk resulting from fluctuations in foreign currency exchange rate(s).

The following table analysis foreign currency risk from financial instruments as of March 31, 2022:

(Foreign Currency and Indian Currency in Lakh)

Particulars	₹	USD	EURO	GBP	JPY
Financial Assets					
Cash and cash equivalents	-	-	-	-	-
Trade receivables	2,876.21	17.76	18.07	-	-
Other Financial Assets	-	-	-	-	-
Total	**2,876.21**	**17.76**	**18.07**	**-**	**-**
Financial liabilities					
Trade payables	87.97	0.93	0.20	-	-
Borrowings	9,437.65	92.57	19.75	-	1,201.87
Other Liabilities	-	-	-	-	-
Total	**9,525.62**	**93.50**	**19.95**	**-**	**1,201.87**

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (contd.)

The following table analysis foreign currency risk from financial instruments as of March 31, 2021:

(Foreign Currency and Indian Currency in Lakh)

Particulars	₹	USD	EURO	GBP	JPY
Financial Assets					
Cash and cash equivalents	-	-	-	-	-
Trade receivables	3,639.21	27.54	18.75	-	-
Other Financial Assets	-	-	-	-	-
Total	**3,639.21**	**27.54**	**18.75**	**-**	**-**
Financial liabilities					
Trade payables	222.99	1.96	0.85	-	8.73
Borrowings	10,575.14	110.28	19.42	-	1,201.65
Other Liabilities	62.48	-	0.73	-	-
Total	**10,860.61**	**112.24**	**21.00**	**-**	**1,210.38**

The following significant exchange rates have been applied during the year: **(Amount in ₹)**

Currency	Year End Spot Rate As At	
	March 31, 2022	March 31, 2021
USD	75.8071	73.5047
EURO	84.6599	86.0990
GBP	99.5524	100.9509
JPYs (100)	62.2300	66.3600

Sensitivity Analysis

A reasonable possible strengthening (weakening) of the Indian Rupee at March 31 would have affected the measurement of financial instruments denominated in Foreign Currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. A 1% increase or decrease is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonable possible change in foreign currency rate.

1% Increase and Decrease in Foreign Exchange rates will have the following impact on Profit before tax.

(₹ in Lakh)

Particulars	2021-2022		2020-2021	
	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
USD Sensitivity	(57.41)	57.41	(62.26)	62.26
EURO Sensitivity	(1.60)	1.60	(1.94)	(1.94)
JPYs (100) Sensitivity	(7.48)	7.48	(8.03)	8.03

Forward Contract outstanding for the purpose of Hedging as at the Balance Sheet Date:

(Foreign Currency and Indian Currency in Lakh)

Currency	Cross Currency	As at March 31, 2022		As at March 31, 2021	
		Foreign Currency	₹	Foreign Currency	₹
Financial Assets					
USD *	₹	43.00	3,259.71	37.50	2,756.43
EURO *	₹	33.00	2,793.78	33.00	2,841.27
			6,053.49		**5,597.70**
Financial Liabilities					
USD	₹	66.08	5,009.32	79.48	5,842.50
JPY	₹	900.00	560.07	900.00	597.24
JPY	USD	-	-	-	-
			5,569.39		**6,439.74**

* Includes USD 25.98 Lakh (Previous year USD 24.00 Lakh) and EURO 20.84 Lakh (Previous year EURO 18.65 Lakh) against Sales Orders.

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (contd.)

Foreign Currency Exposure not Hedged as at the Balance Sheet Date:

(Foreign Currency and Indian Currency in Lakh)

Currency	Cross Currency	As at March 31, 2022		As at March 31, 2021	
		Foreign Currency	₹	Foreign Currency	₹
Financial Assets					
USD	₹	0.74	56.34	14.04	1,032.15
EURO	₹	5.91	500.49	4.41	379.44
			556.83		**1,411.59**
Financial Liabilities					
USD**	₹	27.43	2,079.07	32.75	2,407.48
EURO**	₹	19.95	1,689.31	20.99	1,807.43
JPY	₹	301.87	187.85	310.38	205.97
			3,956.23		**4,420.88**

** Includes Pre-shipment Credit of USD 21.08 Lakh (Previous year USD 30.87 Lakh) and EURO 19.75 Lakh (Previous year EURO 19.42 Lakh) which shall be liquidated from Export proceeds.

b) Interest Rate Risk and Sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. Borrowings at variable rates expose the Company to cash flow interest rate risk. With all other variables held constant, the following table demonstrates composition of fixed and floating rate borrowing of the Company and impact of floating rate borrowings on Company's profitability.

Interest Rate Risk Exposure

Particulars	As at March 31, 2022		As at March 31, 2021	
	₹ in Lakh	% of Total	₹ in Lakh	% of Total
Fixed Rate Borrowings	143.34	0.79%	188.93	1.06%
Variable Rate Borrowings	18,067.57	99.21%	17,700.01	98.94%
Total Borrowings	**18,210.91**	**100.00%**	**17,888.94**	**100.00%**

Sensitivity on Variable Rate Borrowings **(₹ in Lakh)**

Particulars	Impact on Profit & Loss Account		Impact on Equity	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Interest Rate Increase by 25 bp	(45.17)	(44.25)	(45.17)	(44.25)
Interest Rate Decrease by 25 bp	45.17	44.25	45.17	44.25

iii Liquidity risk

Liquidity risk arises when the Company will not be able to meet its present and future cash and collateral obligations. The risk management action focuses on the unpredictability of financial markets and tries to minimise adverse effects. The Company uses derivative financial instruments to hedge risk exposures. Risk management is carried out by the Finance department under Forex Policies as adopted and duly approved by the Board. The Company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and company monitors rolling forecasts of its liquidity requirements.

Notes to Financial Statements for the year ended March 31, 2022

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (contd.)

The table bellow provides details regarding the contructual maturities of significant financial liabilities as of March 31, 2022:

(₹ in Lakh)

Particulars	Carrying Amount	Less than 1 Year	1-5 Years	Total
Borrowings - Current	8,818.74	8,818.74	-	8,818.74
Borrowings - Non-Current	9,392.17	-	9,392.17	9,392.17
Lease Liability - Current	4.79	4.79	-	4.79
Lease Liability - Non Current	572.53	-	572.53	572.53
Trade payables	2,480.82	2,480.82	-	2,480.82
Other financial liabilities - Current	2,271.04	2,271.04	-	2,271.04

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2021:

(₹ in Lakh)

Particulars	Carrying Amount	Less than 1 Year	1-5 Years	Total
Borrowings - Current	6,618.87	6,618.87	-	6,618.87
Borrowings - Non-Current	11,270.07	-	11,270.07	11,270.07
Lease Liability - Current	4.39	4.39	-	4.39
Lease Liability - Non Current	577.32	-	577.32	577.32
Trade payables	1,912.22	1,912.22	-	1,912.22
Other financial liabilities - Current	1,946.87	1,946.87	-	1,946.87

B Capital Risk Management

The Company's Policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. In order to strengthen the capital base, the Company may use appropriate means to enhance or reduce capital, as the case may be.

(₹ in Lakh, unless otherwise stated)

Particulars	As At March 31, 2022	As At March 31, 2021
Borrowings	18,210.91	17,888.94
Equity	55,708.64	53,254.52
Gearing Ratio	**32.69%**	**33.59%**

C The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. Based on current indicators of future economic conditions, the Company expects the carrying amount of these assets will be recovered and sufficient liquidity is available to fund the business operations for at least another 12 months. Given the uncertainty because of COVID-19, the final impact on the Company's assets in future may differ from that estimated as at the date of approval of Financial Statements.

34 CAPITAL WORK IN PROGRESS (CWIP) AND INTANGIBLE ASSTES UNDER DEVELOPMENT

A) Capital work in progress ageing schedule

(₹ in Lakh)

Capital Work in progress	Amount in CWIP as on 31.03.2022 for a period of				
	Less Than one year	1-2 Years	2-3 years	More than 3 years	Total
a) Projects in Progress					
(i) Sulphuric Acid Plant	1,928.02	1,152.93	266.33	-	3,347.28
(ii) Insoluble Sulphur Plant - Dharuhera	191.19	3.99	-	-	195.17
(iii) Insoluble Sulphur Plant - Mundra	447.11	142.48	0.36	-	589.95
b) Projects temporary suspended	-	-	-	-	-
Total	**2,566.32**	**1,299.40**	**266.69**	**-**	**4,132.41**

(₹ in Lakh)

Capital Work in progress	Amount in CWIP as on 31.03.2021 for a period of				
	Less Than one year	1-2 Years	2-3 years	More than 3 years	Total
a) Projects in Progress					
(i) Sulphuric Acid Plant	1,152.93	266.33	-	-	1,419.26
(ii) Insoluble Sulphur Plant - Dharuhera	7,483.61	2,216.23	32.95	-	9,732.79
(iii) Insoluble Sulphur Plant - Mundra	178.50	0.36	-	-	178.86
b) Projects temporary suspended	-	-	-	-	-
Total	**8,815.04**	**2,482.91**	**32.95**	**-**	**11,330.91**

B) Intangible Assets under Development ageing schedule (₹ in Lakh)

Intangible Assets under Development	Amount in intengible assets under development as on 31.03.2022 for a period of				
	Less Than one year	1-2 Years	2-3 years	More than 3 years	Total
Projects in Progress					
Insoluble Sulphur Plant - Dharuhera	1.12	-	-	-	1.12
Total	**1.12**	**-**	**-**	**-**	**1.12**

(₹ in Lakh)

Intangible Assets under Development	Amount in intengible assets under development as on 31.03.2021 for a period of				
	Less Than one year	1-2 Years	2-3 years	More than 3 years	Total
Projects in Progress					
Insoluble Sulphur Plant - Dharuhera	6.96	-	-	-	6.96
Total	**6.96**	**-**	**-**	**-**	**6.96**

(C) No completion is overdue as on 31.03.2022 & 31.03.2021.

(D) No project has exceeded its cost compared to its original plan as on 31.03.2022 & 31.03.2021.

35 The following are analytical ratios for the year ended 31 March 2022 and 31 March 2021

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance
(a) Current Ratio	Current assets	Current liabilities	1.81	2.57	-30%
(b) Debt – Equity Ratio	Total Debt	Shareholder's Equity	0.33	0.34	-3%
(c) Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	1.38	3.29	-58%
(d) Return on Equity (ROE) (%)	Net Profits after taxes	Average Shareholder's Equity	7.33%	14.99%	-51%
(e) Inventory turnover ratio	Cost of Goods Sold	Average Stock	2.72	2.13	28%
(f) Trade receivables turnover ratio	Sales	Average Trade Receivable	4.86	4.66	4%
(g) Trade payables turnover ratio	Purchases of Goods	Average Trade Payables	13.59	10.50	30%
(h) Net capital turnover ratio	Revenue from operation	Working Capital	3.39	1.94	75%
(i) Net profit ratio (%)	Net Profit	Total Income	10.14%	21.76%	-53%
(j) Return on capital employed (ROCE) (%)	Earning before interest and taxes	Capital Employed	8.05%	14.32%	-44%
(k) Return on Investment (ROI) (%)	Earning before interest and taxes	Average Total Assets	7.46%	14.01%	-47%

(a) Current Ratio has been computed as current assets divided by current liabilities. Current assets have decreased from ₹ 28,882.19 Lakh to ₹ 25,604.84 Lakh due to switching from current investment to non current investment and increase in inventories on accout of unprecedented increase in buying prices. Current Liabilities have increased from ₹ 11,238.56 Lakh to ₹ 14,182.37 Lakh due to current maturities of new term loans taken for expension and increase in Trade Payables on account of unprecedent increase in buying prices.

(b) Debt Service coverage ratio has been computed as earning available for debt service divided by debt service. Earning available for debt service has decreased from ₹ 10,265.76 Lakh to ₹ 6,621.43 Lakh on account of unprecedented increase in input costs and freight outward cost.

(c) Return on Equity Ratio has been computed as Profit After Tax divided by Total Equity. Profit has decreased from ₹ 7,500.18 Lakh to ₹ 3,994.74 Lakh owing to increase in raw material costs and freight outward costs.

(d) Trade Payable turnover ratio has been computed as Purchases of goods divided by Average Trade Payables (for Goods only). Purchases have increased from ₹ 9,346.80 Lakh to ₹ 16,227.59 Lakh on accout of unprecedented increase in buying prices while Average Trade payables have increased from ₹ 890.46 Lakh to ₹ 1,193.65 lakh thus impacting trade payable turnover ratio.

(e) Inventory turnover ratio has been computed as Cost of goods sold (COGS) divided by Average inventories. COGS increased from ₹ 7,908.56 Lakh to ₹ 13,465.35 Lakh on accout of unprecedented increase in buying prices while Average inventories have incresaed from ₹ 3,711.67 Lakh to ₹ 4,946.60 Lakh thus impacting inventories turnover ratio.

(f) Net Capital turnover ratio has been computed as revenue divided by working Capital. Revenue have increased from ₹ 34,218.11 Lakh to ₹ 38,778.76 Lakh while working capital have decrease from ₹ 17,643.63 Lakh to ₹ 11,422.47 Lakh due to change in Current Assets and Current Liablities as referred at (a) above.

(g) Net Profit ratio is computed as Net Profit divided by Total Sales. Profit has decreased from ₹ 7,500.18 Lakh to ₹ 3,994.74 Lakh and Sales has increased from ₹ 34,467.53 Lakh to ₹ 39,390.32 Lakh thus impacting net profit ratio.

(h) Return on capital employed is computed as Earning before interest and taxes by Capital employed. This ratio is decreased on account of decrease in earnings.

(i) Return on investment is computed as Earning before interest and taxes by average Total Assets. This ratio is decreased on account of decrease in earnings.

36 THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

(₹ in Lakh)

Particulars		As At March 31, 2022	As At March 31, 2021
a.	Principal amount and the interest due remaining unpaid at the end of the accounting year		
	- Principal	189.14	34.56
	- Interest due there on	-	-
b.	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year		
	-Financial Year 2021-22	-	-
	-Financial Year 2020-21	-	-
c.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006		
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year		
	-Financial Year 2021-22	-	-
	-Financial Year 2020-21	-	-
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

The above information regarding Micro and Small Enterprises has been determined on the basis of information available with the Company.

37 LEASES

(i) Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2022

(₹ in Lakh)

Particulars	Right of use Asset
	Lease Hold Land
Balance as at April 1, 2021	**1090.82**
Additions during the year	-
Deletion during the year	-
Depreciation of Right of use assets (refer note 21)	56.48
Balance as at March 31, 2022	**1034.34**

37 LEASES (contd.)

(ii) The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2022:

(₹ in Lakh)

Particulars	Amount
Balance as at April 1, 2021	**581.71**
Transition impact on account of adoption of Ind AS 116 "Leases"	-
Additions during the year	-
Finance cost accrued during the year	47.67
Deletions	-
Payment of lease liabilities	(52.06)
Balance as at March 31, 2022	**577.32**
Current maturities of Lease liability {refer note 10 (C)}	4.79
Non-Current Lease Liability {refer note 10 (C)}	**572.53**

(iii) Maturity Analysis of Lease Liabilities as required by Para 58 of Ind AS-116 has been disclosed as follow: **(₹ in Lakh)**

Period	Amount
0-1 Year	52.06
1-5 Year	223.87
More than 5 Year	875.62
Total undiscounted lease liability	**1151.55**
Impact of discounting	(574.23)
Lease Liability included in Balance Sheet	**577.32**

(iv) The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 9% :

(v) Rental expense recorded for short-term leases was ₹ 109.92 Lakh (Previous year ₹ 108.61 Lakh) for the year ended March 31, 2022. (refer note 22)

(vi) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

38 The company has no transactions with the companies Struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the financial year ended March 31, 2022.

39 Monthly statements/returns filled by the Company with banks or financial institutions are materially in agreement with books of accounts .

40 Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

As per our Report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm Reg. No. 000756N

Naveen Aggarwal
Partner
Membership No. 094380

Place : Noida
Date: 24th May, 2022

For and on behalf of the Board of Directors

Arvind Goenka
Managing Director
DIN-00135653

Akshat Goenka
Jt. Managing Director
DIN-07131982

Pranab Kumar Maity
Company Secretary

Anurag Jain
Chief Financial Officer

Consolidated
Financial Statements

Independent Auditors' Report

To
The Members,
Oriental Carbon & Chemicals Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Oriental Carbon & Chemicals Limited** (hereinafter referred to as "the Holding Company") and its subsidiary Duncan Engineering Limited (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, of consolidated profit and total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note no. 29 (C) of the consolidated financial statements which describes the uncertainties and the impact of Covid-19 pandemic on the Group's operations and results as assessed by the management.

Our opinion on these consolidated financials is not modified in respect of this matter.

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	**Recognition of Revenue** **(In respect of Holding Company)** The Company recognizes revenue on satisfaction of performance obligations upon transfer of control of promised products to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those products. In determining the transaction price for the sale, the Company considers the effects of variable consideration and consideration receivable from the customer. As at 31st March 2022, the Company's statement of profit and loss included Sales of INR 37,814.75 lakh. The nature of rebates and sales returns, if any, involve judgment in determining sales revenues and revenue cut-off. The risk is, therefore, that revenue may not be recognised	1. We performed walkthroughs to understand the adequacy and the design of the revenue cycle for all significant components. We tested controls in the revenue and trade account receivables cycles over the accuracy and timing of revenue accounted in the financial statements. 2. We checked the contracts of customers (giving due regards to inco- term) along with revenue recognition policy applied by the Company to ensure satisfaction of performance obligation upon transfer of control of products to customer at a point in time. Our checking procedure includes consideration of the accounting and presentation of the rebates and discount arrangements.

Sr. No.	Key Audit Matter	Auditor's Response
	in the correct period or that revenue and associated profit is misstated. Refer to Accounting policies Note 1(III)(i) and Note No.14 of the Consolidated Financial Statements.	3. In addition to substantive analytical reviews performed to understand how the revenue has trended over the year, we performed a detailed testing on transactions around the year-end, ensuring revenues were recognized in the correct accounting period. We also tested journal entries recognized to revenue focusing on unusual or irregular transactions. 4. We validated the appropriateness and completeness of the related disclosures in Note No. 14 of the Consolidated financial statements.
2	**Assessment of recoverability of Deferred tax assets in respect of subsidiary company** The Company has recognized deferred tax assets(net) of INR 238.01 Lakh on the carried forward business losses and unabsorbed depreciation post netting of deferred tax liability on difference in Written down value of fixed assets as per the Companies Act, 2013 and the Income Tax Act, 1961. The deferred tax asset is recognized as it is considered to be recoverable based on the Company's projected taxable profits in the forthcoming years considering the stability and improvements in the business conditions and current and likely future state of the industry. Under Indian Accounting Standard 12 Income Taxes the carrying amount of a deferred tax asset is required to be reviewed at the end of each reporting period. The future taxable profit projections involve several key assumptions including past trends, expected demand and stability and improvement in the business conditions and current and likely future state of the industry We considered this a key audit matter as the amount of deferred tax assets is material to the financial statements and significant management judgement is required in assessing its recoverability based on significant assumptions underlying the forecast of future taxable profits. Further, recoverability of deferred tax assets depends on the achievement of Company's future business plan.	**Our audit procedures included:** 2 (i) Evaluated and tested the design and operating effectiveness of the Company's controls over recognition and assessment of recoverability of deferred tax assets on Business loss and unabsorbed depreciation. (ii) Reviewed the Company's accounting policy in respect of recognizing deferred tax assets on Business loss and unabsorbed depreciation. (iii) Evaluated whether the business loss and unabsorbed depreciation is legally available to the Company for the period, considering the provisions of Income-tax Act, 1961. (iv) Reviewed the setoff of carry forward Business loss and unabsorbed depreciation in the past. (v) Assessed the reasonableness of the assumptions underlying profit projections made by management, by reviewing the past trends and relevant economic and industry indicators. (vi) Reviewed the adequacy of disclosures made in the financial statements with regards to deferred taxes. Based on the above procedures performed by us, we considered the management's assessment of recoverability of deferred tax assets is reasonable.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Holding's annual report particularly with respect to the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information identified above, if, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements.

The Holding Company's Board of Directors is responsible for preparation and presentation of these consolidated financial statements in terms of the requirement of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of their respective Company included in the Group and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the holding company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing ability of their respective Company included in the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group are responsible for overseeing the financial reporting process of their respective Company included in the group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company & Subsidiary Company (based on the auditors' report of the auditors of the subsidiary Company) Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Group ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statement. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditor For the subsidiary included in the consolidated financial statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them, we remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the Consolidated statement of change in equity and the consolidated statement of cash flow dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules made thereunder.

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company none of the directors is disqualified as on March 31, 2022 from being appointed as a director of that company in terms of sub-section 2 of Section 164 of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary Company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A", and

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

      i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group refer to Note 26 to the consolidated financial statements;

      ii. provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

      iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company and further there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company.

   iv. a. The respective Managements of the Company and its subsidiary company , whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The respective Managements of the Company and its subsidiary company, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, 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. (a) The final dividend proposed in the previous year, declared and paid by the holding Company during the year is in accordance with Section 123 of the Act, as applicable. (refer Note 9 to the consolidated financial statement)

(b) The interim dividend declared and paid by the holding Company during the year is in compliance with Section 123 of the Act. (Refer Note 9 to the consolidated financial statement)

(c) The Board of Directors of the holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable. (Refer Note 9 to the consolidated financial statement) Further in relation to subsidiary company it has neither declared nor paid any dividend during the year and until the date of the report.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the companies (Auditor's Report) Order, 2020 (the "Order"/ " CARO") issued by the Central Government in terms of section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Company and its Subsidiary included in the Consolidated Financial Statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm's Registration Number: 000756N

Naveen Aggarwal
Partner
Membership Number: 094380
UDIN: 22094380AMNAZS7262

Place: Noida
Date: May 24, 2022

"Annexure A" to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Oriental Carbon & Chemicals Limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements'

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of Oriental Carbon & Chemicals Limited ('the Holding Company') and its subsidiary Duncan Engineering Limited, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 ('the Act').

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls with reference to financial statements based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls` Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Group have maintained, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to subsidiary, which is company incorporated in India, is based on the corresponding reports of the auditors of such Company.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm's Registration Number: 000756N

Naveen Aggarwal
Partner
Membership Number: 094380
UDIN: 22094380AMNAZS7262

Place: Noida
Date: May 24, 2022

Consolidated Balance Sheet as at 31st March 2022

(₹ in Lakh)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I ASSETS			
1. Non Current Assets			
a. Property, Plant & Equipment	2	45,274.68	34,198.22
b. Capital work in Progress		4,132.41	11,330.91
c. Intangible Assets	3	54.03	46.99
d. Intangible Assets under Development		1.12	6.96
e. Financial Assets			
i. Investments	4a	6,990.23	3,103.56
ii. Loans and Advances	4c	66.80	74.79
iii. Other Financial Assets	4g	786.92	734.11
f. Other Non Current Assets	6	388.82	855.18
TOTAL NON CURRENT ASSETS		**57,695.01**	**50,350.72**
2. Current Assets			
a. Inventories	5	6,823.72	4,739.04
b. Financial Assets			
i. Investments	4b	11,114.42	15,429.88
ii. Trade Receivables	4d	8,655.64	8,061.31
iii. Cash and cash Equivalents	4e	174.28	212.57
iv. Other Bank Balances	4f	705.45	718.02
v. Loans and Advances	4c	75.86	77.07
vi. Other Financial Assets	4g	153.26	282.66
c. Current Tax Assets (Net)	7	123.09	51.19
d. Other Current Assets	6	1,021.67	1,470.66
TOTAL CURRENT ASSETS		**28,847.39**	**31,042.40**
TOTAL ASSETS		**86,542.40**	**81,393.12**
II. EQUITY AND LIABILITIES			
A Equity			
a. Equity Share Capital	8	999.01	1,000.53
b. Other Equity	9	55,089.92	52,319.80
Equity attributable to Owner of the Parent		56,088.93	53,320.33
c. Non Controlling Interest		1,832.94	1,518.65
TOTAL EQUITY		**57,921.87**	**54,838.98**
B Liabilities			
1. Non Current Liabilities			
a. Financial Liabilities			
i. Borrowings	10a	9,413.67	11,289.77
ii. Lease Liability	10c	614.82	577.32
iii. Other Financial Liabilities	10e	9.35	10.35
b. Provisions	11	284.50	267.65
c. Deferred Tax Liabilities (Net)	12	2,792.91	2,087.36
TOTAL NON CURRENT LIABILITIES		**13,115.25**	**14,232.45**
2. Current Liabilities			
a. Financial Liabilities			
i. Borrowings	10b	8,866.98	6,624.47
ii. Lease Liability	10c	11.79	4.39
iii. Trade Payables	10d		
Dues of Micro Enterprises and Small Enterprises		443.80	247.61
Dues of Creditors Other than Micro Enterprises and Small Enterprises		2,686.98	2,254.38
iv. Other Financial Liabilities	10f	2,669.68	2,312.40
b. Other Current Liabilities	13	735.83	729.55
c. Provisions	11	90.22	148.89
TOTAL CURRENT LIABILITIES		**15,505.28**	**12,321.69**
TOTAL EQUITY AND LIABILITIES		**86,542.40**	**81,393.12**
Notes to Accounts	**1 - 36**		

The accompanying notes referred to above form an integral part of the consolidated financial statements.

As per our Report of even date attached

For and on behalf of the Board of Directors

For S S Kothari Mehta & Company
Chartered Accountants
Firm Reg. No. 000756N

Arvind Goenka
Managing Director
DIN-00135653

Akshat Goenka
Jt. Managing Director
DIN-07131982

Naveen Aggarwal
Partner
Membership No. 094380

Pranab Kumar Maity
Company Secretary

Anurag Jain
Chief Financial Officer

Place : Noida
Date: 24th May, 2022

Consolidated Statement of Profit And Loss for the year ended March 31, 2022

(₹ in Lakh)

Particulars		Note No.	Year Ended March 31, 2022	Year Ended March 31, 2021
I.	**Revenue from Operations**	14	44,371.23	38,353.81
II.	**Other Income**	15	643.47	296.36
III.	**Total Income (I+II)**		**45,014.70**	**38,650.17**
IV.	**Expenses:**			
	Cost of materials consumed	16 (a)	17,258.17	10,448.27
	Purchase of stock in trade	16(b)	5.70	-
	Changes in Inventories of finished goods, work in progress and stock in trade	17	(728.62)	(122.39)
	Employee benefits expenses	18	5,671.16	5,271.05
	Finance costs	19	587.02	654.37
	Depreciation and amortisation expenses	20	2,419.44	2,206.67
	Other expenses	21	13,469.98	10,152.33
	Total Expenses (IV)		**38,682.85**	**28,610.30**
V.	**Profit before tax (III-IV)**		**6,331.85**	**10,039.87**
VI.	**Income Tax Expense**			
	Current tax	22(a)	958.41	1,684.99
	Deferred Tax (Net)	22(a)	754.22	55.93
	Total Income Tax Expense (VI)		**1,712.63**	**1,740.92**
VII.	**Profit for the period (V-VI)**		**4,619.22**	**8,298.95**
VIII.	**Profit for the Year attributable to:**			
	Owners of the Parent		4,307.07	7,899.67
	Non-Controlling Interest		312.15	399.28
IX.	**Other Comprehensive Income (Net of Tax) Items that will not be reclassified to Profit or Loss**			
	Remeasurement Gain or (Loss) on Defined Benefit Plans		42.83	(16.06)
	Income Tax on the above item	22(b)	(11.23)	5.49
	Net Gain or (Loss) on FVTOCI Equity & AIF Investments		159.64	(2.82)
	Income Tax on the above item	22(b)	(29.26)	(28.43)
	Total Other Comprehensive Income / (Loss) for the period (Net of Tax)		**161.98**	**(41.82)**
X.	**Total Other Comprehensive Income / (Loss) for the period attributable to:**			
	Owners of the Parent		159.84	(43.22)
	Non-Controlling Interest		2.14	1.40
XI.	**Total Comprehensive Income for the period (VII+IX)**		**4,781.20**	**8,257.13**
XII.	**Total Comprehensive income for the period attributable to :**			
	Owners of the Parent		4,466.91	7,856.45
	Non-Controlling Interest		314.29	400.68
XIII.	**Earnings per equity share :**			
	Basic & Diluted (₹)	24	43.11	79.08
	Notes to Accounts	1 - 36		

The accompanying notes referred to above form an integral part of the consolidated financial statements

As per our Report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm Reg. No. 000756N

Naveen Aggarwal
Partner
Membership No. 094380

Place : Noida
Date: 24th May, 2022

For and on behalf of the Board of Directors

Arvind Goenka
Managing Director
DIN-00135653

Akshat Goenka
Jt. Managing Director
DIN-07131982

Pranab Kumar Maity
Company Secretary

Anurag Jain
Chief Financial Officer

Consolidated Cash Flow Statement for the year ended March 31, 2022

(₹ in Lakh)

Particulars	Current Year		Previous Year	
A. Cash Flow From Operating Activities				
Net Profit before tax and Extra ordinary items	**6,331.85**		**10,039.87**	
Adjustments for:				
Depreciation and Amortisation	2,419.44		2,206.67	
(Gain) / Loss on Sale / Discard of Property, Plant & Equipment (Net)	(237.96)		28.42	
Finance Costs	587.02		654.37	
Interest Income	(59.02)		(68.60)	
Income from Investments segment	(694.34)		(934.75)	
Effect of Exchange Rate Change on Borrowings	85.33		(223.74)	
Loans and Debts earlier written off, now recovered	-		(0.10)	
Bad Advances / Debts	1.64		10.88	
Provision for Doubtful Debts	-		5.20	
Remeasurement Gain / (Loss) on Defined Benefit Plans	42.83		(16.06)	
(Gain) / Loss on financial assets measured at fair value through Profit or loss (Net)	(291.43)		(33.00)	
Operating Profit before Working Capital Changes	**8,185.36**		**11,669.16**	
Adjustments for :				
Trade and Other Receivables	(159.92)		(1,351.25)	
Inventories	(2,084.68)		(533.60)	
Trade and Other Payables	471.04		922.66	
Cash generated from Operations	**6,411.80**		**10,706.97**	
Direct Tax Paid (Net)	(1,116.65)		(1,585.28)	
Net cash from Operating Activities		**5,295.15**		**9,121.69**
B. Cash Flow From Investing Activities				
Payments for purchase of Property, Plant & Equipment including Capital work in progress, Intangible Assets and Capital Advances	(5,477.24)		(8,461.32)	
Proceeds from sale of Property, Plant & Equipment	441.22		133.12	
Purchase and Sale of Non Current Investments (Net)	(3,727.02)		(1,601.12)	
Purchase and Sale of Current Investments (Net)	4,633.72		(3,607.19)	
Movement in Fixed deposits with Banks	(33.52)		(329.11)	
Income from Investments Segment Received	765.31		981.12	
Interest Received	89.31		33.61	
Net Cash (used in) investing activities		**(3,308.22)**		**(12,850.89)**
C. Cash Flow From Financing Activities				
Dividend Paid	(1,698.32)		(999.01)	
Proceeds from Borrowing - Non Current	4,393.21		5,533.08	
Repayment of Borrowing - Non Current	(4,754.87)		(2,607.00)	
Borrowing - Current (Net)	642.75		366.04	
Repayment of Lease Liability	(5.74)		(4.04)	
Interest and Financial Costs paid (excluding Transfer to Capital Work-in-Progress)	(602.25)		(684.00)	
Net Cash from / (used in) Financing Activities		**(2,025.22)**		**1,605.07**
Net (decrease) in Cash and Cash Equivalents (A+B+C)		**(38.29)**		**(2,124.13)**
Opening Balance of Cash and Cash Equivalents		**212.57**		**2,336.70**

Consolidated Cash Flow Statement for the year ended March 31, 2022

(₹ in Lakh)

Particulars	Current Year		Previous Year	
Closing Balance of Cash and Cash Equivalents		**174.28**		**212.57**
Cash & Cash Equivalents Comprise				
Cash on Hand		6.83		4.40
Cheques on hand		-		0.19
Balance with Scheduled Banks in Current Accounts and fixed deposits maturing within 3 months		167.45		207.98
		174.28		**212.57**

Notes:

(i) Figures in bracket represent outflows.

(ii) Other Bank Balances of ₹ 153.58 Lakh (Previous Year ₹ 150.10 Lakh) lying in designated account with scheduled banks on account of unclaimed dividend and ₹ 1.50 Lakh (Previous Year ₹ 29.50 Lakh) in Deposit Repayment Reserve Account and Term Deposits maturing beyond three months are not included in Cash and Cash Equivalents. These are shown under Investing Activities.

(iii) Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

As per our Report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm Reg. No. 000756N

Naveen Aggarwal
Partner
Membership No. 094380

Place : Noida
Date: 24th May, 2022

For and on behalf of the Board of Directors

Arvind Goenka
Managing Director
DIN-00135653

Akshat Goenka
Jt. Managing Director
DIN-07131982

Pranab Kumar Maity
Company Secretary

Anurag Jain
Chief Financial Officer

Consolidated Statement of Changes In Equity for the year ended March 31, 2022

a) Equity Share Capital

Current Reporting Period

(₹ in Lakh)

Balance at the beginning of the current reporting period	Change in Equity shares capital due to prior period errors	Restated balance at the beginning of the current reporting period	Change in Equity share captial during the current year	Balance at the end of the current reporting period
1,000.53	-	1,000.53	(1.52)	999.01

Previous Reporting Period

(₹ in Lakh)

Balance at the beginning of the Previous reporting period	Change in Equity shares capital due to prior period errors	Restated balance at the beginning of the Previous reporting period	Change in Equity share captial during the previous year	Balance at the end of the previous reporting period
1,000.53	-	1,000.53	-	1,000.53

b) Other Equity

(₹ in Lakh)

Particulars	Reserves					Other Comprehensive Income (OCI)	Total Other Equity
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings		Equity Instruments through OCI (Net of Tax)	
				Retained Earnings	Remeasurement Gain / (Loss) of the defined benefit plans (Net of Tax)		
Balance as at March 31, 2020	**2,008.99**	**30.85**	**878.07**	**42,153.15**	**(130.05)**	**521.35**	**45,462.36**
Profit/(Loss) for the year ended March 31, 2021	-	-	-	7,899.67	-	-	7,899.67
Other comprehensive income (net of tax) for the year ended March 31, 2021	-	-	-	94.60	(11.97)	(125.85)	(43.22)
Dividend	-	-	-	(999.01)	-	-	(999.01)
Balance as at March 31, 2021	**2,008.99**	**30.85**	**878.07**	**49,148.41**	**(142.02)**	**395.50**	**52,319.80**
Profit/(Loss) for the year ended March 31, 2022	-	-	-	4,307.07	-	-	4,307.07
Gain on Cancellation of forfeited shares	1.52	-	-	-	-	-	1.52
Other comprehensive income (net of tax) for the year ended March31, 2022	-	-	-	327.65	29.46	(197.26)	159.85
Dividend	-	-	-	(1,698.32)	-	-	(1,698.32)
Balance as at March 31, 2022	**2,010.51**	**30.85**	**878.07**	**52,084.81**	**(112.56)**	**198.24**	**55,089.92**

As per our Report of even date attached

For and on behalf of the Board of Directors

For S S Kothari Mehta & Company
Chartered Accountants
Firm Reg. No. 000756N

Arvind Goenka
Managing Director
DIN-00135653

Akshat Goenka
Jt. Managing Director
DIN-07131982

Naveen Aggarwal
Partner
Membership No. 094380

Pranab Kumar Maity
Company Secretary

Anurag Jain
Chief Financial Officer

Place : Noida
Date: 24th May, 2022

NOTE 1: GROUP OVERVIEW, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

I CORPORATE INFORMATION

Oriental Carbon & Chemicals Limited (""OCCL"" or ""the Holding Company"") is a public limited company domiciled in India and has its Registered Office at Kolkata. The shares of the Holding Company are listed on National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd.

The Consolidated Financial Statements comprise the Holding Company and its subsidiary (referred to collectively as ""the Group""). The Holding Company's core business is manufacturing and sales of Insoluble Sulphur and Investments as other business. The Holding Company is a global supplier of Insoluble Sulphur The Holding Company has two manufacturing facilities, one in Haryana and other one in Gujarat. The principal activities of the subsidiary Company is manufacturing & trading of fluid power and automation products. The Subsidiary Company has its manufacturing facility in Maharashtra. The Subsidiary Company is a Public Limited Company and is listed on the Bombay Stock Exchange (BSE).

II BASIS OF PREPARATION

a) Statement of compliance

These financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 (As amended) notified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act to the extent applicable.

These financial statements were authorised for issue by the Board of Directors on May 24, 2022

b) Basis of measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following:

i. Certain financial assets and liabilities (including derivative instruments) measured at Fair Value / Amortised Cost;

ii. Defined benefit plan assets measured at Fair Value;

c) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ("the functional currency"). The financial statements are presented in Indian National Rupee ('INR'), which is the Group's functional and presentation currency. All amounts have been rounded to two decimal points of lakhs, unless otherwise indicated.

d) Current or Non current classification

All Assets and Liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of business of the Group and its business time cycle from inception of an order and its completion on realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

e) Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent liabilities and contingent assets as at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to estimates are recognised prospectively.

Application of accounting policies that require critical accounting estimates and assumption judgements having the most significant effect on the amounts recognised in the financial statements are:

Measurement of defined benefit obligations;

Recognition of deferred tax assets & MAT credit entitlement;

Useful life and residual value of Property, plant and equipment and intangible assets;

Measurement of Fair Value of Current Investments;

Measurement of fair value of Equity Investments.

III SIGNIFICANT ACCOUNTING POLICY

The Group has consistently applied the following accounting policies to all periods presented in the financial statements.

a) Principle of Consolidation

i) The consolidated Financial statement includes the financial statement of the parent company, its subsidiary company. The consolidated financial statement have been prepared in accordance with Ind AS 110 on " Consolidated financial statement" as per Companies (Indian Accounting Standard) Rules 2015 notified under section 133 of the Companies Act , 2013 ('the Act) and other relevant provisions of the Act to the extent possible.

ii) The Financial Statement of the Parent Company and its Subsidiary company are prepared on line by line adding together like items of assets, liabilities equity, income and expenses , intercompany balances and transactions and any unrealised gains arising from inter company transactions are eliminated. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidences of impairment.

iii) The consolidated Financial Statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements except provision for depreciation for some assets, which is not material to the Consolidated Financial Statements.

iv) Non controlling Interest in the consolidated financial statement is identified and recognised after taking into consideration the amount of equity attributable to non controlling interest at date on which investment in subsidiary is made

v) Non Controlling Interest in Equity since the date parent/ Subsidiary relationship came into existence, the losses attributable to the minorities are adjusted against the minority interest in the equity of the subsidiary

vi) Financial statement of Subsidiary used for the purpose of Consolidation are drawn up to the same reporting date as that of the Company i.e. Year Ended March 31 2022.

vii) The Subsidiary Company which is included in the consolidation and the parent company's holding are as under:

Name of the Company	% of Holding		Place of Incorporation
	As At March 31, 2022	As At March 31, 2021	
Duncan Engineering Limited	50.01%	50.01%	India

b) Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Borrowing costs relating to acquisition of qualifying fixed assets, if material, are also included in cost to the extent they relate to the period till such assets are ready to be put to use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The cost of replacing part of an item of property, plant and equipment are recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of all other repairs and maintenance are recognised in the Statement of Profit & Loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other noncurrent assets.

An item of property, plant and equipment is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii) Depreciation

Depreciation on property, plant and equipment is provided on the Straight Line Method based on the useful life of assets as prescribed under Schedule II of the Companies Act, 2013, which are as follows:

Buildings including Factory Buildings and Roads	: 5 - 60 years
Plant & Equipment (Including Continuous Process Plant, Components & Laboratory Equipment)	: 5 - 25 years
Electrical Installations	: 10 years
Furniture and Fixtures	: 10 years
Air Conditioners and coolers	: 5 years
Office Equipment	: 5 - 10 years
Motor Vehicles	: 5 years
Computer and Servers & Networks	: 3 - 6 years

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets. Buildings constructed on Right-of-use assets are depreciated based on the useful life prescribed in the Schedule II of the Companies Act, 2013.

Depreciation on additions to or on disposal of assets is calculated on pro-rata basis i.e. from (upto) the date on which the property, plant and equipment is available for use (disposed off).

c) Intangible assets

i) Recognition and measurement

Intangible Assets Acquired Separately

Intangible assets that are acquired by the Group are measured at cost. Subsequent to initial recognition, the assets are measured at cost, less accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate.

All intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. Impairment losses, if any, are recognised immediately in profit or loss.

An item of intangible asset is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of intangible assets is recognised in profit or loss.

ii) Amortisation

Amortization is recognised in the income statement on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use.

The estimated useful lives are as follows:

Software : 5 years

The amortization period and the amortization method for intangible assets are reviewed at each reporting date.

d) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use or fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in Statement of Profit and Loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

e) Financial Instruments

i) Initial recognition

The Group recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ii) Subsequent measurement

(a) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) Method to gross carrying amount of the financial asset, if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognised or impaired, the gain or loss is recognised in the statement of profit and loss.

(b) Financial assets at fair value through other comprehensive income

Financial instruments are subsequently measured at fair value (at Last available audited informations). On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. Fair value gains and losses recognised in OCI are not reclassified to profit and loss.

(c) Financial assets at fair value through profit or loss

Financial assets which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(d) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(e) Reclassification of Financial Assets and Financial Liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. Except Trade receivables, expected credit losses are measured at an amount equal to the 12-month Expected Credit Loss (ECL), unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime ECL.

With regard to trade receivable, the Group applies the simplified approach , which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

iv) Derecognition

Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

v) Derivative financial instruments

The Group is exposed to exchange rate risk which arises from its foreign exchange revenues, primarily in Euro and US Dollars. The Group uses foreign exchange forward contracts (derivative financial instruments), to hedge foreign currency risk associated with highly probable forecasted transactions and classifies them as cash flow hedges.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are taken directly to profit and loss.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

The Group makes an assessment, on an on-going basis, of whether the hedging instruments are expected to be "highly effective" in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk.

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

f) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair values for measurement and/ or disclosure purposes are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 - This includes financial instruments measured using quoted prices.

Level 2 - The fair value of financial instrument that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs require to fair value an instrument are observable, the instrument is included in 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 - If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. .

g) Inventories

Inventories are valued at lower of Cost and Net Realisable value. The cost of finished goods is determined by taking material, labour and related factory overheads including depreciation. Cost of material is determined on weighted average cost basis. Further the cost for Work-in-Progress includes material cost, stage wise direct cost and other related manufacturing overheads including depreciation. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and making the sale.

Cost of raw materials, packing materials, stores and spares are determined on weighted average basis.

Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, the same are written off or provision is made for such inventories.

h) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

i) Revenue from Operations:

(i) Revenue from Contracts with Customers

The Group derives revenue from sale of Insoluble Sulphur, Sulphuric Acid, Oleum and General Engineering Products.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognise revenue when or as an entity satisfies performance obligation.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 14.

Sale of Goods

For sale of goods, revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products to customers at an amount that reflects the consideration the Group expects to receive in exchange for those products.

(ii) Investment Income

Investment income is accrued as and when due/reinstated as per the terms of the Investments based on the effective interest rate/appreciation(depreciation) in value of investment as applicable on the basis of quoted price/statements received from the relevant funds/institutions as applicable. Income from Investments is included in revenue from operations in the statement of Profit and Loss.

(iii) Export Benefits

In case of direct exports made by the Group, export benefits arising from Govt. incentives and schemes are recognised on shipment of direct exports.

Revenue from exports benefits are measured at the fair value of consideration received or receivable net of returns.

(iv) Dividends

Dividend income is recognised when the Group's right to receive dividend is established, and is included in other income in the statement of profit and loss.

j) Other Revenue Streams

Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is included in other income in the statement of profit and loss.

k) Employee Benefits

i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Defined contribution plans

Employees benefits in the form of the Group's contribution to Provident Fund, Pension scheme, Superannuation Fund and Employees State Insurance are defined contribution schemes. The Group recognises contribution payable to these schemes as an expense, when an employee renders the related service.

If the contribution payable exceeds contribution already paid, the deficit payable is recognised as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the Group recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

iii) Defined benefit plans

Retirement benefits in the form of gratuity are considered as defined benefit plans. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Group provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The Group contributes to the gratuity fund, which are recognised as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognised in the Balance Sheet.

When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) Other long-term employee benefits

Employee benefits in the form of long term compensated absences are considered as long term employee benefits. The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement are recognised in profit or loss in the period in which they arise.

The liability for long term compensated absences are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

l) Foreign currency transactions

Initial recognition:

Transactions in foreign currencies are translated into the Group's functional currency at the exchange rates at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Nonmonetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange difference:

Exchange differences are recognised in Statement of profit & loss. In accordance with Ind-AS 101 'First Time Adoption of Indian Accounting Standards', the Group has continued the policy of capitalisation of exchange differences on foreign currency loans taken before the transition date. Accordingly, exchange differences arising on translation of long term foreign currency monetary items relating to acquisition of depreciable fixed assets taken before the transition date are capitalized and depreciated over the remaining useful life of the asset.

m) Research and Development Expenses

Revenue Expenditure on Research and Development is charged to Statement of Profit and loss in the year in which it is incurred and capital expenditure is added to Property, Plant & Equipment.

n) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

o) Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in Other Comprehensive Income

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year after taking credit of the benefits available under the Income Tax Act and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

A deferred income tax asset is recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

For operations carried out in tax free units, deferred tax assets or liabilities, if any, have been recognised for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset only if:

a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is probable evidence that the Group will pay normal income tax in future. Accordingly, MAT is recognised as deferred tax asset in the Balance Sheet.

p) Segment Reporting

The accounting policies adopted for the segment reporting are in conformity with the accounting policies adopted for the Group. Primary Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Revenue, Expense, Assets and Liabilities, which relate to the Group as a whole and could not be allocated to segments on a reasonable basis, have been classified as unallocated. Secondary segment is identified based on geography by location of customers i.e. in India and outside India. Inter-segment revenue have been accounted for based on the transaction price agreed to between the segments, which is primarily market based.

q) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

r) Cash flow statement

Cash flow statements are prepared in accordance with "Indirect Method" as explained in the Accounting Standard on Statement of Cash Flows (Ind AS - 7). The cash flows from regular revenue generating, financing and investing activity of the Group are segregated.

s) Lease

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee

The Group's lease asset classes primarily comprise of lease for land and building. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to Control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in other current and non-current financial liabilities (see Note 10c).

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

"Lease liability" and "Right of Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

t) Scheme of Arrangement

The Board of Directors of the Company has approved the Scheme of Arrangement between the Company and OCCL Limited (wholly owned subsidiary of the Company) and their respective shareholders and creditors for the demerger of the Chemical Business undertaking of the Company to OCCL Limited ("Scheme"). The Appointed Date of the Scheme is the Effective Date and the Scheme is subject to approval of requisite regulatory authorities and will be given effect to in the financial results of the Company after receipt of requisite regulatory approvals.

u) Earning per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted Earning per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to Consolidated Financial Statements for the year ended March 31, 2022

2 PROPERTY, PLANT & EQUIPMENT

(₹ in Lakh)

Description	Gross Carrying Value				Depreciation / Amortisation				Net Carrying Value	
	As at April 1, 2021	Additions/ adjustments	Sales/ adjustments	As at March 31, 2022	As at April 1, 2021	Additions/ adjustments	Sales/ adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Property Plant & Equipment :										
Land - Freehold	162.59	-	-	162.59	-	-	-	-	162.59	162.59
Right of Use Assets - Land	1,622.68	-	-	1,622.68	353.31	58.55	-	411.86	1,210.82	1,269.37
Right of Use Assets - Building	-	50.85	-	50.85	-	1.23	-	1.23	49.62	-
Building	16,998.25	3,062.87	116.08	19,945.04	3,671.69	424.37	24.54	4,071.52	15,873.52	13,326.56
Plant & Equipment	29,001.72	8,500.71	96.00	37,406.43	11,609.20	1,339.93	63.88	12,885.25	24,521.18	17,392.52
Electrical Installations	3,160.08	1,688.84	124.63	4,724.29	2,023.81	289.92	110.59	2,203.14	2,521.15	1,136.27
Furniture and Fixture	626.77	38.01	15.17	649.61	456.01	34.97	14.28	476.70	172.91	170.76
Vehicles	979.85	211.32	66.42	1,124.75	422.50	173.08	27.50	568.08	556.67	557.35
Air Conditioners and coolers	219.00	17.74	3.79	232.95	160.81	23.93	3.39	181.35	51.60	58.19
Office Equipment	490.60	83.84	13.85	560.59	365.99	52.77	12.79	405.97	154.62	124.61
Total	**53,261.54**	**13,654.18**	**435.94**	**66,479.78**	**19,063.32**	**2,398.75**	**256.97**	**21,205.10**	**45,274.68**	**34,198.22**

Description	Gross Carrying Value				Depreciation / Amortisation				Net Carrying Value	
	As at April 1, 2020	Additions/ adjustments	Sales/ adjustments	As at March 31, 2021	As at April 1, 2020	Additions/ adjustments	Sales/ adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Property Plant & Equipment :										
Land - Freehold	162.59	-	-	162.59	-	-	-	-	162.59	162.59
Right of Use Assets - Land	1,622.68	-	-	1,622.68	294.76	58.55	-	353.31	1,269.37	1,327.92
Right of Use Assets - Building	-	-	-	-	-	-	-	-	-	-
Building	17,007.40	9.15	18.30	16,998.25	3,269.63	408.62	6.56	3,671.69	13,326.56	13,737.77
Plant & Equipment	28,656.20	603.33	257.81	29,001.72	10,509.38	1,247.01	147.19	11,609.20	17,392.52	18,146.82
Electrical Installations	3,103.90	158.55	102.37	3,160.08	1,884.19	231.39	91.77	2,023.81	1,136.27	1,219.71
Furniture and Fixture	634.34	4.84	12.41	626.77	420.51	38.23	2.73	456.01	170.76	213.83
Vehicles	700.82	340.15	61.12	979.85	340.93	126.49	44.92	422.50	557.35	359.89
Air Conditioners and coolers	208.71	26.01	15.72	219.00	148.88	26.54	14.61	160.81	58.19	59.83
Office Equipment	460.78	48.36	18.54	490.60	338.21	45.30	17.52	365.99	124.61	122.57
Total	**52,557.42**	**1,190.39**	**486.27**	**53,261.54**	**17,206.49**	**2,182.13**	**325.30**	**19,063.32**	**34,198.22**	**35,350.93**

Notes:

(i) Gross Block of vehicles includes ₹ 455.85 Lakh (Previous year ₹ 389.97 Lakh) purchased under Car Finance Scheme.

(ii) Building includes properties of ₹ 2,946.70 Lakh pending for registration (Previous year ₹ 2,946.70 Lakh).

(iii) In accordance with Ind AS-101 the exchange differences arising on translation of long term foreign currency loans taken for acquisition of depreciable assets before the transition date are being capitalised and accordingly the net exchange difference for the year amounting to ₹ Nil (Previous year (₹ 5.08) Lakh) have been (adjusted)/capitalised.

Notes to Consolidated Financial Statements for the year ended March 31, 2022

3 INTANGIBLE ASSETS

(₹ in Lakh)

Description	Gross Carrying Value				Amortisation				Net Carrying Value	
	As at April 1, 2021	Additions/ adjustments	Sales/ adjustments	As at March 31, 2022	As at April 1, 2021	Additions/ adjustments	Sales/ adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Computer Software	428.48	27.73	-	456.21	381.49	20.69	-	402.18	54.03	46.99
Total	**428.48**	**27.73**	**-**	**456.21**	**381.49**	**20.69**	**-**	**402.18**	**54.03**	**46.99**

Description	Gross Carrying Value				Amortisation				Net Carrying Value	
	As at April 1, 2020	Additions/ adjustments	Sales/ adjustments	As at March 31, 2021	As at April 1, 2020	Additions/ adjustments	Sales/ adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Computer Software	413.51	14.97	-	428.48	356.95	24.54	-	381.49	46.99	56.56
Total	**413.51**	**14.97**	**-**	**428.48**	**356.95**	**24.54**	**-**	**381.49**	**46.99**	**56.56**

4 FINANCIAL ASSETS

4(a) NON CURRENT INVESTMENTS

(₹ in Lakh)

Particulars	Face Value / Share	As at March 31, 2022		As at March 31, 2021	
		No. of Shares	Value	No. of Shares	Value
(i) Unquoted, Equity/Preference shares fully paid up					
Investments Carried at Fair Value Through OCI					
a) Investment in Equity Shares (Others)					
(1) Duncan International (India) Limited	100/-	8351	318.31	8351	281.40
(2) New India Investment Corporation Limited	75/-	1753	185.56	1753	231.95
(3) Veeda Clinical Research P Ltd	10/-	-	-	779	99.88
(4) Transformative Learning Solutions P Ltd	10/-	27	50.94	-	-
(5) Wingreens Farms Private Limited	10/-	28902	200.00	-	-
(6) Startup Health Just Matters Pvt Ltd*	10/-	65	25.00	-	-
b) Investment in Preference Shares (Others)					
(1) B 9 Beverages Private Limited (CCCPS)	100/-	25837	100.00	25837	100.00
(2) B 9 Beverages Private Limited (CCCPS)	15/-	20000	100.00	-	-
(3) Muhavra Enterprise P Ltd (CCPS)	10/-	96	49.51	96	49.51
(4) High Street Essentials P Ltd (CCPS)	100/-	3307	100.00	-	-
(5) Red Room Technology P Ltd (CCPS)	100/-	163	14.98	-	-
(6) Transformative Learning Solutions P Ltd (CCPS)	100/-	53	100.00	-	-
(7) Transformative Learning Solutions P Ltd (CCPS)	10/-	22	41.51	-	-
(8) Shield Health Care Private Ltd - Investment in CCP	200/-	1302	100.00	-	-
(9) Singularity Furniture Private Limited CCPS	10/-	8628	100.00	-	-
(10) Ocean Drinks Private Limited	10/-	5159	99.98	-	-

4 FINANCIAL ASSETS (contd.)

4(a) NON CURRENT INVESTMENTS (₹ in Lakh)

Particulars	Face Value / Share	As at March 31, 2022		As at March 31, 2021	
		No. of Shares	Value	No. of Shares	Value
(ii) Unquoted, Other Investment					
a) Investment in AIF Funds					
(1) Grand Anicut Fund - II			500.00		500.00
(2) Xponentia Opportunities Fund -I			403.09		308.70
(3) JM Financial India Fund II			177.35		130.80
(4) Paragon Partners Growth Fund-II			586.07		229.20
(5) Fireside Ventures Investment Fund -II			177.33		125.00
(6) Grand Anicut Angel Fund			758.00		137.63
(7) Real Estate Credit Opportunities Fund			450.37		450.00
(8) IQ Start-up Fund IQ Alpha III			454.73		434.49
(9) IQ Start-up Fund IQ Alpha IV			175.00		-
(10) Alteria Capital Fund II Scheme I			375.00		-
(11) Waterbridge Ventures II Trust			250.00		-
(12) WEH Ventures II			97.50		-
b) Investment in NBFC Corporate Deposit					
(1) HDFC Ltd.			1,000.00		-
c) Investment in Convertible Note					
(1) Startup Health Just Matters Pvt Ltd*			-		25.00
TOTAL			**6,990.23**		**3,103.56**
Aggregate Fair Value of Unquoted Investments			**6,990.23**		**3,103.56**

* Investment in Convertible Notes by the Company have been converted into 65 No's equity shares during the year (Previous year figure shown under unquoted investment in convertible note)

4(b) CURRENT INVESTMENTS (₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Quoted		
a) Investment in Mutual Funds at FVTPL		
(1) DSP Banking and PSU Debt Fund	1,145.08	1,102.64
(March 31, 2022 5886434.31 Units; March 31, 2021 5886434.31 Units)		
(2) HDFC Corporate Bond Fund - Short Term	1,319.89	1,259.02
(March 31, 2022 5050629.31 Units; March 31, 2021 5050629.31 Units)		
(3) ICICI Prudential Corporate Bond Fund	1,206.83	1,157.46
(March 31, 2022 5101624.25 Units; March 31, 2021 5101624.25 Units)		
(4) Aditya Birla Sunlife Banking and PSU Debt Fund	1,153.33	1,101.70
(March 31, 2022 388960.94 Units; March 31, 2021 388960.94 Units)		
(5) IDFC Bond Fund Short Term Plan	526.27	505.81
(March 31, 2022 1132433.38 Units; March 31, 2021 1132433.38 Units)		
(6) Aditya Birla Sunlife Corporate Bond Fund Growth	421.89	401.84
(March 31, 2022 467779.49 Units; March 31, 2021 467779.49 Units)		
(7) ICICI Prudential Saving Fund	417.78	401.05
(March 31, 2022 96405.02 Units; March 31, 2021 96405.02 Units)		

4 FINANCIAL ASSETS (contd.)

4(b) CURRENT INVESTMENTS

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
(8) HDFC Low Duration Fund	572.76	502.10
(March 31, 2022 1223478.796 Units; March 31, 2021 1115551.597 Units)		
(9) HDFC Short Term Debt Fund	210.59	201.37
(March 31, 2022 819661.38 Units; March 31, 2021 819661.38 Units)		
b) Investment in Bonds		
(1) 6.99 % HDFC Limited	-	1,996.89
Face Value ₹ 10,00,000; (March 31, 2022 Nil Bonds; March 31, 2021 200 Bonds)		
(ii) Unquoted		
a) Investment in Non Convertible Debentures		
(1) Krazybee Services Pvt Ltd having coupon rate of 13.5% p.a. with a maturity period of 13 months	-	250.00
b) Investment in Debts fund		
(1) ESTEE 1 Alpha Fund	1,600.00	500.00
c) Investment in NBFC Corporate Deposit		
(1) HDFC Ltd.	2,540.00	4,050.00
(2) LIC Housing Finance Ltd	-	2,000.00
TOTAL	**11,114.42**	**15,429.88**
Aggregate Market Value of Quoted Investments	**6,974.42**	**8,629.88**
Aggregate Market Value of Unquoted Investments	**4,140.00**	**6,800.00**

4(c) LOANS AND ADVANCES

(₹ in Lakh)

Particulars	Non- Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Unsecured, Considered Good				
Other Loans and advances				
Employee Advances	66.80	74.79	75.86	77.07
TOTAL	**66.80**	**74.79**	**75.86**	**77.07**

4 FINANCIAL ASSETS (contd.)

4(d) TRADE RECEIVABLES

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Undisputed, Considered Good	8,650.41	8,055.98
Undisputed, which have significant increase in Credit Risk	-	-
Undisputed, Credit Impaired	1.13	0.23
Disputed, Considered Good	-	-
Disputed, which have significant increase in Credit Risk	-	-
Disputed, Credit Impaired	4.10	5.10
TOTAL	**8,655.64**	**8,061.31**

(i) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firm or private companies respectively in which any director is a partner, a director or a member other than stated above.

(ii) Trade receivables are non-interest bearing and are generally on terms of 7 to 150 days (for ageing analysis refer Note No 29 A (i))

(iii) Impairment of Trade Receivables has been considered ₹ 5.23 Lakhs (Previous year 5.33 Lakhs) based on the Expected Credit Loss Method and in other cases based on the management judgement.

4(e) CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Balance with banks		
In Current Accounts	42.45	207.98
Cash on hand	6.83	4.40
Cheques on hand	-	0.19
Fixed Deposit with Maturity less than 3 Months	125.00	-
TOTAL	**174.28**	**212.57**

4(f) OTHER BANK BALANCES

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Other Term Deposits with less than 12 months maturity	550.37	538.42
Deposit Repayment reserve Account	1.50	29.50
Unpaid Dividend Accounts	153.58	150.10
TOTAL	**705.45**	**718.02**

4(g) OTHER FINANCIAL ASSETS

(₹ in Lakh)

Particulars	Non- Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Unsecured, considered good unless stated otherwise				
Measured at Amortised Cost				
Other Bank Deposits with more than 12 months maturity @	517.71	468.15	-	-
Security Deposits	269.21	265.96	52.97	54.27
Accrued Interest Income	-	-	100.29	228.39
TOTAL	**786.92**	**734.11**	**153.26**	**282.66**

@ Includes Margin Money for Bank Guarantees ₹123.33 Lakh (Previous year ₹ 90.17 Lakh).

Notes to Consolidated Financial Statements for the year ended March 31, 2022

5 INVENTORIES (Lower of Cost or Net Realisable Value)

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Raw Materials (Includes Stock-in-transit ₹ 152.90 Lakh; Previous year ₹130.06 Lakh)	2,967.20	1,794.30
Work in Progress	117.89	89.08
Finished Goods	2,896.58	2,175.70
Stores & Spares	761.07	637.86
Scrap	1.46	0.01
Fuel	79.52	42.09
TOTAL	**6,823.72**	**4,739.04**

6 OTHER ASSETS

(₹ in Lakh)

Particulars	Non- Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Unsecured, considered good unless stated otherwise				
Export incentive Receivable	-	-	47.90	305.36
Capital Advances *	388.43	854.33	-	-
Assets held for sale (At lower of Book Value and Net Realisable Value)	-	-	-	11.80
Receivable on Foreign Currency Forward Contracts	-	-	97.85	159.57
Balance with Revenue Authorities	-	-	89.62	540.04
Other Receivables	-	-	0.57	-
Insurance Claim Receivable	-	-	-	12.51
Prepaid Expenses	0.39	0.85	496.21	301.13
Other Advances	-	-	289.52	140.25
TOTAL	**388.82**	**855.18**	**1,021.67**	**1,470.66**

*** Includes ₹ 75.00 Lakhs (Previous year ₹ 75.00 Lakh) to a Company under liquidation against the use of an office premises which is pending transfer in favour of the Company.**

7 CURRENT TAX ASSETS (NET)

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Current Tax Assets (Net of Provision for Income Tax)	123.09	51.19
TOTAL	**123.09**	**51.19**

8 EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Authorised Shares		
1,49,90,000 (Previous year 1,49,90,000) Equity Shares of ₹10 each (Previous year ₹ 10 each)	1,499.00	1,499.00
1,000 (Previous year 1,000) Redeemable Cumulative Preference Shares of ₹ 100 each (Previous year ₹ 100 each)	1.00	1.00
	1,500.00	**1,500.00**
Issued Shares		
99,90,092 (Previous year 1,00,23,844) Equity Shares of ₹ 10 each (Previous year ₹ 10 each)	999.01	1,002.38
	999.01	**1,002.38**
Subscribed & Fully Paid up Shares		
99,90,092 (Previous year 99,90,092) Equity Shares of ₹10 each (Previous year ₹ 10 each)	999.01	999.01
Add: Forfeited Shares (Amount Originally paid up)	-	1.52
Total subscribed and fully paid up share capital	**999.01**	**1,000.53**

8 EQUITY SHARE CAPITAL (contd.)

a. Terms / rights attached to Equity Shares

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend. However, same except interim dividend is subject to the approval of the shareholders in the Annual General Meeting.

b. Reconciliation of Shares outstanding at the beginning and at the end of the reporting period

Issued Share Capital

Equity Shares (₹ in Lakh, Unless Otherwise stated)

Particulars	Equity Share (No. of Shares)		Equity Share (Value of Shares)	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Share outstanding at beginning of period	10023844	10023844	1,002.38	1,002.38
Less : Shares cancelled during the year	33752	-	3.37	-
Share outstanding at end of period	9990092	10023844	999.01	1,002.38

Subscribed & Paid up

Equity Shares (₹ in Lakh, Unless Otherwise stated)

Particulars	Equity Share (No. of Shares)		Equity Share (Value of Shares)	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Share outstanding at beginning of period	9990092	9990092	999.01	999.01
Share outstanding at end of period	9990092	9990092	999.01	999.01

c. Shareholdings of promoters

Equity Shares

Name of Shareholders	Category	As At March 31, 2022		As At March 31, 2021	
		No of Shares	% of Holding	No of Shares	% of Holding
Cosmopolitan Investments Ltd	Promoter Group	1907528	19.09%	1907528	19.09%
New India Investment Corporation Ltd	Promoter Group	1212136	12.13%	1212136	12.13%
Duncan International (India) Ltd	Promoter Group	994616	9.96%	994616	9.96%
Haldia Investment Company Ltd	Promoter Group	619344	6.20%	619344	6.20%
Aparna Goenka	Promoters	200000	2.00%	200000	2.00%
Arvind Goenka	Promoters	107500	1.08%	107500	1.08%
Akshat Goenka	Promoters	100000	1.00%	100000	1.00%
Disciplined Investments Limited	Promoter Group	30000	0.30%	30000	0.30%

No Change during the year in promoter/ Promoters group shareholding.

d Details of shareholders holding more than 5% shares in the Company other than promoter / promoter's group.

Equity Shares

Name of Shareholders	As At March 31, 2022		As At March 31, 2021	
	No of Shares	% of Holding	No of Shares	% of Holding
HDFC Trustee Company Ltd	926250	9.27%	926250	9.27%

9 OTHER EQUITY

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
(I) Reserves		
a. Capital Reserve		
Balance at the beginning of the Financial year	2,008.99	2,008.99
Add : Gain on Cancellation of Forfeited Shares	1.52	-
Balance at the end of the Financial year	2,010.51	2,008.99
b. Capital Redemption Reserve		
Balance at the beginning of the Financial year	30.85	30.85
Balance at the end of the Financial year	30.85	30.85
c. General Reserve		
Balance at the beginning of the Financial year	878.07	878.07
Balance at the end of the Financial year	878.07	878.07
d. Retained Earnings		
Balance at the beginning of the Financial year	49,006.39	42,023.10
Addition during the Financial year	4,307.07	7,899.67
Items of Other Comprehensive Income recognised directly in retained earnings		
- Realised gain from Non Current Equity instrument transferred from Other comprehensive income (Net of Tax)	327.65	94.60
- Remeasurement Gain or (Loss) on Defined Benefit Plans (Net of Tax)	29.46	(11.97)
	53,670.57	50,005.40
Less: Appropriations		
Interim Dividend	699.31	399.60
Dividend paid during the year	999.01	599.41
	51,972.25	49,006.39
TOTAL (I)	**54,891.68**	**51,924.30**
(II) Items of Other Comprehensive Income		
Balance at the beginning of the Financial year	395.50	521.35
Add: Other Comprehensive Income for the Financial Year		
Net Gain or (Loss) on FVTOCI Non Current Investments (Net of Tax)	130.39	(31.25)
- Realised gain from Non Current Equity instrument transferred to Retained Earning (Net of Tax)	(327.65)	(94.60)
TOTAL (II)	**198.24**	**395.50**
TOTAL OTHER EQUITY (I + II)	**55,089.92**	**52,319.80**

Notes:

(i) Capital Reserve:

The Holding Company had recognised Surplus arising out of transfer of Assets and Liabilities of erstwhile Carbon Black Division to Capital Reserve. The Holding Company had 33752 forfeited equity shares of face value of ₹10 each (Previous year 33752 shares, face Value ₹ 10/-) due to non payment of call money by the shareholders. Total amount of gain under capital reserve against the cancellation of these shares during the year is ₹1.52 Lakh (Previous year Nil).

(ii) Capital Redemption Reserve:

An amount of ₹ 30.60 Lakh (equivalent to nominal value of the equity shares bought back and cancelled by the Holding Company in the Year Ended March 2019) has been transferred to Capital Redemption Reserve from General Reserve pursuant to the provisions of Section 69 of the Companies Act, 2013 and article 8 of the Articles of Association of the Company.

(iii) Items of Other Comprehensive Income

The holding Company recognises the gain or loss on fair value of non-current investments under Items of Other Comprehensive Income. Realised gain on sale of equity instrument of ₹327.65 Lakh (Previous Year ₹94.60 Lakh) (Net of tax) during the year transferred to retained earning from other comprehensive income as per IND AS 109.

(iv) During the year, the Holding Company has paid Interim dividend of ₹ 7.00; (Previous year ₹ 4.00) per equity share. Now, final dividend of ₹ 7.00 (Previous year ₹ 10.00) per equity share for financial year 2021-22 is recommended by the Board of Directors, which is subject to the approval of the shareholders in the ensuing Annual General Meeting.

10 FINANCIAL LIABILITIES

a) BORROWING (NON CURRENT) **(₹ in Lakh)**

Particulars	Non Current Maturities		Current Maturities	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Term Loans - From Banks (Secured) (Refer (i)(a) & (i) (b) below)	9,324.99	11,169.55	4,143.19	2,399.92
Vehicle Loans from Banks (Secured) (Refer (ii) below)	88.68	120.22	84.29	91.06
Public Deposit (Unsecured)	-	-	-	2.95
Less : Current Maturities of Long Term Borrowings	-	-	(4,227.48)	(2,493.93)
TOTAL	**9,413.67**	**11,289.77**	**-**	**-**

Notes:

(i) (a) Securities:

Secured by (i) ₹ 746.54 Lakh, First pari-passu charge on fixed assets including equitable mortgage of factory land and building at SEZ Mundra Unit; First exclusive charge on fixed assets including equitable mortgage of factory land and building at Dharuhera; Second pari-passu charge on entire current assets of the Holding Company; (ii) ₹ 528.91 Lakh, First pari-passu charge on fixed assets including equitable mortgage of factory land and building at SEZ Mundra Unit; Second pari-passu charge on entire fixed assets of Dharuhera Unit including equitable mortgage of factory land and building of Dharuhera Unit; Second pari-passu charge on entire current assets of the Holding Company; (iii) ₹ 380.41 Lakh, First pari-passu charge on entire fixed assets of the Holding Company including equitable mortgage of factory land and building of SEZ Mundra Unit; (iv) ₹ 7669.13 Lakh, First pari-passu charge on entire fixed assets including equitable mortgage of factory land and building at Dharuhera and SEZ Mundra Unit; Second pari-passu charge on entire current assets of the Holding Company.

(i) (b) Terms of Repayments of Non-Current portion of Term Loans from Banks

(₹ in Lakh, unless otherwise stated)

As At March 31, 2022			As At March 31, 2021		
Outstanding Amount	Repayments		Outstanding Amount	Repayments	
	No. of outstanding Instalments	Periodicity		No. of outstanding Instalments	Periodicity
238.65	1	Quarterly Graded	1,135.82	5	Quarterly Graded
507.89	6	Quarterly Equal	860.61	10	Quarterly Equal
226.13	2	Quarterly Equal	657.71	6	Quarterly Equal
302.78	7	Quarterly Equal	461.05	11	Quarterly Equal
380.41	9	Quarterly Equal	549.22	13	Quarterly Equal
2,157.94	17	Quarterly Equal	1,889.26	20	Quarterly Equal
2,523.31	12	Quarterly Equal	3,042.64	20	Quarterly Equal
2,247.34	45	Monthly Equal	1,582.00	19	Quarterly Equal
740.54	20	Quarterly Equal	791.31	20	Quarterly Equal
-	-	-	199.93	4	Quarterly Equal
9,324.99			**11,169.55**		

(ii) Secured by hypothecation of vehicles purchased under the scheme and non-current portion of ₹ 88.68 Lakh (Previous year ₹120.21 Lakh) is repayable in 5 to 40 (Previous year 1 to 56) equated monthly instalments after F.Y. 2022-23 onwards as per the repayment schedule.

10 FINANCIAL LIABILITIES (contd.)

(b) BORROWING (CURRENT) (₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Loans Repayable on Demand		
Working Capital Loans from Bank (secured)		
Cash Credit and Packing Credit (i)	3,548.30	3,938.85
Bill Discounting (i)	1,091.20	191.69
Current Maturity of Long Term Borrowings (Secured)		
Current maturities of Long-Term Borrowings	4,143.19	2,399.92
Current maturities of Vehicle Loans	84.29	91.06
Public Deposit (Unsecured)		
Current maturities of Deposits (ii)	-	2.95
TOTAL	**8,866.98**	**6,624.47**

Securities:

(i) Cash Credit, Packing Credit and Bill Discounting of the Holding Company amounting to ₹ 4,599.39 Lakh (Previous year ₹ 4130.54 Lakh) are secured by first pari passu charge on entire current assets of the Holding Company and second pari passu charge over the entire fixed assets at Mundra SEZ Unit of Holding Company and First pari passu charge on entire fixed assets at Dharuhera unit of Holding Company with State Bank of India. In respect of Subsidiary Company, Cash Credit amounting to ₹ 40.11 Lakh (Previous year ₹ Nil) was secured by primary first exclusive charge on the current assets of the subsidiary Company and collateral charge on the tangible movable/ immovable fixed assets of the subsidiary company at Ranjangaon, Pune .

(ii) Deposits from public carries rate of interest @ NIL% (Previous year 7.75%) p.a. and non-current portion of ₹ Nil (Previous year ₹ Nil).

(c) LEASE LIABILITY (₹ in Lakh)

Particulars	Non - Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Lease Liability (Refer Note No. 32)	614.82	577.32	11.79	4.39
TOTAL	**614.82**	**577.32**	**11.79**	**4.39**

(d) TRADE PAYABLES (₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Trade Payables		
Dues of Micro Enterprises and Small Enterprises	443.80	247.61
Dues of Creditors Other than Micro Enterprises and Small Enterprises	2,686.98	2,254.38
TOTAL	**3,130.78**	**2,501.99**

Trade Payables Ageing as at March 31 , 2022 (₹ in Lakh)

Outstanding for following periods from due date of payments	Less than 1 year	1-2 Year	2-3 Year	More than 3 year	Total
(i) MSME	443.80	-	-	-	443.80
(ii) Others	2,686.98	-	-	-	2,686.98
(iii) Disputed MSME	-	-	-	-	-
(iv) Disputed Others	-	-	-	-	-
Total	**3,130.78**	**-**	**-**	**-**	**3,130.78**

Trade Payables Ageing as at March 31 , 2021 (₹ in Lakh)

Outstanding for following periods from due date of payments	Less than 1 year	1-2 Year	2-3 Year	More than 3 year	Total
(i) MSME	247.60	-	-	-	247.60
(ii) Others	2,252.51	0.74	1.14	-	2,254.39

10 FINANCIAL LIABILITIES (contd.)

Trade Payables Ageing as at March 31 , 2021 (₹ in Lakh)

Outstanding for following periods from due date of payments	Less than 1 year	1-2 Year	2-3 Year	More than 3 year	Total
(iii) Disputed MSME	-	-	-	-	-
(iv) Disputed Others	-	-	-	-	-
Total	**2,500.11**	**0.74**	**1.14**	**-**	**2,501.99**

(e) OTHER FINANCIAL LIABILITIES (NON CURRENT) (₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Trade deposits	9.35	10.35
TOTAL	**9.35**	**10.35**

(f) OTHER FINANCIAL LIABILITIES (CURRENT) (₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Interest accrued on Borrowings	52.65	68.73
Unpaid Dividend	153.58	150.10
Unpaid and Unclaimed Matured Deposits & Interest accrued thereon	3.14	3.58
Creditors for Capital Goods	1,270.74	786.61
Employees liabilities @	1,148.15	1,227.30
Directors' Commission & Sitting Fees	33.53	68.34
Security Deposits	7.89	7.74
TOTAL	**2,669.68**	**2,312.40**

@ Includes dues to Executive Directors ₹ 193.72 Lakh (Previous year ₹ 243.14 Lakh) and in case of Subsidiary Company, there was an employees dismissal related case pending in 2nd Labour court, Pune since 2014. In January 2020 , the 2nd Labour court issued an order and awarded against the company and directed to reinstate all these employees with full back wages, and continuity of service along with consequential benefits. The Company has made a provision of estimated liability of ₹ 175.58 Lakh in the books during the financial year 2019-20 and has disclosed it as an Exceptional item. During FY 20-21, Company filed writ petition and has gone on appeal with Hon'ble Mumbai High Court and got stay for the verdict of Labour court. Hence no provision created for the year FY 20-21. During FY 21-22, Hon'ble Mumbai High court has given verdict to reinstate Employees and to settle back wages. Company has paid back wages of ₹ 64.20 Lakh (including Gratuity, Leave encashment, PF etc.,) from the date of dismissal up to the clsosure of ABU division, i.e, Aug 2016. While making payment, company kept the above provision of ₹ 175.58 Lakh intact, and taken the hit in current year Profit & Loss Account. Since these employees belong to closed division, Duncan take the stand that no more amount is payable to these terminated employees. However, the case is right now pending in 2nd Labour court as per the complaint made by these terminated employees to pay back the settlement up to date.

11 PROVISIONS

(₹ in Lakh)

Particulars	Non- Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Provision for Employee Benefits				
Compensated Absences & Gratuity	284.50	267.65	84.96	143.94
Other Provisions:				
Provision for Warranty	-	-	5.26	4.95
TOTAL	**284.50**	**267.65**	**90.22**	**148.89**

12 DEFERRED TAX LIABILITIES (Net)

(₹ in Lakh)

Particulars		As At March 31, 2022	As At March 31, 2021
The balance comprises temporary differences attributable to:			
Deferred Tax Liabilities			
Property, Plant & Equipment and Intangible Assets		4,712.83	4,204.00
Deferred Tax Liability on FVOCI on Equity Investments & AIF Investment		60.21	120.12
Deferred Tax Liability on Current Investment at Fair Value		93.04	9.59
Deferred Tax Liability on Amortised Value of Upfront Fees of Long Term Loans		0.04	0.25
Deferred Tax Liability on Exchange Difference on Forward Contracts		13.79	17.13
	(A)	**4,879.91**	**4,351.09**
Deferred Tax Assets			
Provision for employee benefits & others.		101.75	156.37
Unabsorbed Depreciation/Carry forward business Loss		238.01	527.98
MAT credit entitlement		1,747.24	1,579.38
	(B)	**2,087.00**	**2,263.73**
DEFERRED TAX LIABILITIES (Net)	**(A-B)**	**2,792.91**	**2,087.36**

13 OTHER LIABILITIES

(₹ in Lakh)

Particulars	Non- Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Advance received from and Credit balance of Customers	-	-	155.85	71.68
Advance received from Others	-	-	0.12	21.00
Statutory dues payable	-	-	336.61	299.24
Payable on Foreign Currency Forward Contracts	-	-	95.29	239.55
Other payable	-	-	147.96	98.08
TOTAL	**-**	**-**	**735.83**	**729.55**

14 REVENUE FROM OPERATIONS

Revenue from Contracts with Customers

(i) Disaggregated Revenue Information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(₹ in Lakh)

Segment	Year Ended March 31, 2022			Year Ended March 31, 2021		
	Domestic	Export	Total	Domestic	Export	Total
a) Sale of Manufactures Products						
Insoluble Sulphur	13,890.26	19,640.36	33,530.62	11,375.68	19,069.73	30,445.41
Sulphuric Acid and Oleum	4,284.13	-	4,284.13	2,526.60	-	2,526.60
Hydraulic and Pneumatic Equipment	5,215.73	191.49	5,407.22	3,877.52	83.35	3,960.87
Others	162.17	-	162.17	174.47	-	174.47
Total Revenue from Contracts with Customers	**23,552.29**	**19,831.85**	**43,384.14**	**17,954.27**	**19,153.08**	**37,107.35**
b) Export Benefits	**-**	**1.32**	**1.32**	**-**	**278.71**	**278.71**

14 REVENUE FROM OPERATIONS (contd.)

(₹ in Lakh)

Segment	Year Ended March 31, 2022			Year Ended March 31, 2021		
	Domestic	Export	Total	Domestic	Export	Total
c) Investment Income						
Profit On Redemption / Maturity of Current Investment (Net)	26.83	-	26.83	4.56	-	4.56
Interest Income						
On Deposit	303.28	-	303.28	749.44	-	749.44
On Bonds	91.16	-	91.16	128.47	-	128.47
Others	68.67	-	68.67	9.58	-	9.58
Income From AIF Investment	204.40	-	204.40	42.70	-	42.70
Net Gain on Fair Value of Current Investments	291.43	-	291.43	33.00	-	33.00
Total Revenue from operation (a+b+c)	**24,538.06**	**19,833.17**	**44,371.23**	**18,922.02**	**19,431.79**	**38,353.81**
Timing of Revenue Recognition						
Goods Transferred at a point of time	**23,552.29**	**19,831.85**	**43,384.14**	**17,954.27**	**19,153.08**	**37,107.35**

(ii) Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Trade Receivables *	8,655.64	8,061.31
Contract Liabilities		
Advance from customers (Refer Note No. 13)	155.85	71.68

* Trade Receivables are non-interest bearing and are generally on terms of 7 to 150 days.

(iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price.

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Revenue as per Contracted Price	43,509.21	37,361.38
Adjustments		
Rebate & Discount	(125.07)	(254.03)
Revenue from Contracts with Customers	**43,384.14**	**37,107.35**

(iv) The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31, 2022 are, as follows:

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Advance from customers (Refer Note No. 13)	155.85	71.68

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

15 OTHER INCOME

(₹ in Lakh)

Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
Interest Income				
On Deposit	50.94		60.53	
On Loans	8.08	59.02	8.07	68.60
Loans and Debts earlier Written off, now recovered		-		0.10
Net Gain on foreign Currency Translation and Transactions		-		109.59
Net Gain on Foreign Currency Forward Contracts		82.54		-
Rent received		3.96		1.08
Provision for doubtful debts written back		0.09		-
Provision no longer Required Written Back		80.48		19.20
Advance Received Written Back		-		2.88
Scrap Sales		148.64		77.67
Profit on sale/discard of Property, Plant & Equipment (Net)		237.96		-
Miscellaneous Income		30.78		17.24
TOTAL		**643.47**		**296.36**

16 (a) COST OF MATERIALS CONSUMED

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Cost of Materials Consumed	17,292.60	10,448.27
Less: Consumption for Trial Run Production	34.43	-
TOTAL	**17,258.17**	**10,448.27**

16 (b) PURCHASE OF STOCK IN TRADE

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Sulphuric Acid	5.70	-
TOTAL	**5.70**	**-**

17 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Lakh)

Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
Inventories at the beginning of the Financial year				
Finished Goods		2,175.70		2,028.80
Work in Progress		89.08		109.54
Stock in trade		-		-
Scrap		0.01		4.06
		2,264.79		2,142.40
Add: Transferred from Trial Run Production				
Finished Goods	6.44		-	
Work-in-Progress	16.08	22.52	-	-
		2,287.31		2,142.40
Inventories at the end of the Financial year				
Finished Goods		2,896.58		2,175.70
Work in Progress		117.89		89.08
Stock in trade		-		-
Scrap		1.46		0.01
		3,015.93		2,264.79
Change in Inventories		**(728.62)**		**(122.39)**

18 EMPLOYEE BENEFITS EXPENSES

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries, Wages and Bonus	5,032.92	4,705.81
Contribution to Provident & other funds	247.74	233.88
Gratuity	78.30	74.34
Long term compensated absences	84.68	67.07
Employees Welfare Expenses	326.67	307.90
	5,770.31	5,389.00
Less: Transfer to Capital Work-in-Progress / Capitalised	99.15	117.95
TOTAL	**5,671.16**	**5,271.05**

19 FINANCE COSTS

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest on financial liabilities measured at amortised cost	956.03	934.64
Other Borrowing Costs	39.02	66.40
	995.05	1,001.04
Less: Transfer to Capital Work-in-Progress / Capitalised	408.03	346.67
TOTAL	**587.02**	**654.37**

20 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Depreciation on Property, Plant and Equipment (Refer Note No. 2)	2,338.97	2,123.58
Depreciation of Right of use assets (Refer Note No. 2)	59.78	58.55
Amortisation of Intangible Assets (Refer Note No. 3)	20.69	24.54
TOTAL	**2,419.44**	**2,206.67**

21 OTHER EXPENSES

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Stores Consumed	114.47	74.07
Packing cost	871.35	798.12
Power and Fuel	4,077.95	3,091.27
Water Charges	115.68	115.27
Rent	109.92	108.61
Rates and Taxes	172.83	186.80
Insurance	296.13	278.18
Repairs to Buildings	251.51	116.44
Repairs to Machinery	834.95	731.30
Repairs to Others	226.33	193.60
Job & Hiring Charges	145.81	128.76
Freight & Forwarding	4,222.72	2,518.16
Commission and Discount	178.21	164.70
Travelling	173.03	125.95
Legal & Professional	327.53	251.93
Provision for Doubtful Debts	-	5.20
Service Charges	234.20	214.04
Loss on sale/discard of Property, Plant & Equipment (Net)	-	28.42
Net Loss on Foreign Currency Translations and Transactions	148.26	-

21 OTHER EXPENSES (contd.)

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Net Loss on Foreign Currency Forward Contracts	-	79.99
Bad Advances / Debts	1.64	10.88
Corporate Social Responsibility Expenditure	185.35	174.61
Directors' Commission & Fees	66.78	101.23
Auditor's Remuneration	42.15	36.02
Cost Auditor Fees	1.34	1.34
Miscellaneous	815.52	668.35
	13,613.66	**10,203.24**
Less: Transfer to Capital Work-in-Progress / Capitalised	143.68	50.91
TOTAL	**13,469.98**	**10,152.33**

22 INCOME TAX EXPENSE

a) Income tax recognised in Profit and Loss

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Current tax expense		
Current tax on profits for the year	784.30	1,912.35
Less: Taxation Adjustment in respect of earlier years (Net)	(6.25)	(28.55)
Less: MAT Credit Entitlement (Net)	(167.86)	255.91
	958.41	1,684.99
Deferred tax expense		
Origination and reversal of temporary differences	754.22	55.93
Income tax charged to the statement of profit and loss	**1,712.63**	**1,740.92**

b) Income tax related to items recognised in OCI during the year

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Deferred Tax Expense		
Remeasurement Gain / (Loss) on Defined Benefit Plans	11.23	(5.49)
FVTOCI Equity & AIF Investments	(59.91)	(35.78)
	(48.68)	(41.27)
Income Tax Expense		
FVTOCI on Equity Investment	89.17	64.21
Total Income tax charged to OCI	**40.49**	**22.94**

23 RESEARCH AND DEVELOPMENT EXPENSES

Details of Expenditure on Research and Development Facilities/ divisions of the company recognised by Department of Scientific and Industrial Research.

a) Revenue Expenditure

(₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Employee Benefit Expenses		
Salaries, Wages and Bonus	116.65	110.82
Contributions to Provident & Other Funds	4.32	4.29
Employee welfare Expenses.	0.84	4.44
TOTAL	**121.81**	**119.55**

23 RESEARCH AND DEVELOPMENT EXPENSES (contd.)

a) Revenue Expenditure (₹ in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Consumption of Consumables	7.17	5.90
Repair to Machinery	10.00	13.26
Rates Taxes and Fees	0.04	0.01
Auditor's Remuneration	-	0.34
Travelling and Conveyance	0.70	-
Loss on sale/discard of Property, Plant & Equipment (Net)	-	2.07
Miscellaneous Expenses	5.00	11.96
TOTAL	**22.91**	**33.54**
Depreciation		
Depreciation	21.12	13.85
TOTAL	**21.12**	**13.85**
Total Expenditure	**165.84**	**166.94**

b) Capital expenditure (₹ in Lakh)

Particulars	Year Ended March 31, 2021	Additions during the year	Sale/ Adjustments during the year	Year Ended March 31, 2022
Buildings	-	-	-	-
Equipments and Others	163.60	106.81	0.06	270.35
TOTAL	**163.60**	**106.81**	**0.06**	**270.35**

24 EARNINGS PER SHARE

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
a) Net Profit for Basic & Diluted EPS (in ₹ Lakhs)	4,307.07	7,899.67
b) Weighted Average Number of Equity Shares for Basic & Diluted EPS	9990092	9990092
c) Earning Per Share - Basic & Diluted (₹)	43.11	79.08
d) Face value per share (₹)	10.00	10.00

25 CAPITAL COMMITMENTS

(₹ in Lakh)

Particulars	As At March 31, 2022	As At March 31, 2021
Estimated Amount of Capital Commitments outstanding and not provided for (Gross) (Advance paid ₹ 312.56 Lakh (Previous year ₹ 779.23 Lakh))	699.41	4,533.48
Estimated Amount of Investment in AIF Units Commitments outstanding and not provided for *	2,607.55	3,010.73

* Investment to be made over a period upto 5 years.

26 CONTINGENT LIABILITIES

(₹ in Lakh)

Particulars		As At March 31, 2022	As At March 31, 2021
a.	Claims against the group not acknowledged as debt*;		
	Income Tax (Deposited ₹ Nil Lakh; Previous year ₹ Nil;) (Gross) - Subsidiary Company	-	5.30
	Excise Duty (Deposited ₹ Nil Lakh ; Previous year Nil) (Gross) - Subsidiary Company	28.50	35.64
	Service Tax (Deposited ₹ 0.51 Lakh ; Previous year Nil Lakh) (Gross) -Subsidiary Company	15.43	15.43
	VAT (Deposited ₹ Nil Lakh; Previous year ₹ 0.13 Lakh;) (Gross) - Holding Company	-	2.10
	Other matters, MIDC issued notice dated 23rd of Oct 2020, directing Subsidiary Company to deposit differential amount for affecting change of name of the Company in MIDC records under the reason that change in the share holding pattern of the Company. (Deposited ₹ Nil Lakh; Previous year ₹ Nil Lakh) (Gross)	53.94	53.94
b.	Guarantees excluding financial guarantees;		
	Bank Guarantees given to various Govt authorities/ others (Gross)	54.49	44.97
	(Margin Money / Short Term Deposits ₹ 40.81 Lakh; Previous year 49.37 Lakh)		
c.	Statutory bonus liabilities pursuant to the retrospective amendment in the Bonus Act, 1965 for financial year 2014-15 has not been provided considering stay orders of Hon'ble Kerala High Court & Karnataka High Court.	42.89	42.89

* The Group is hopeful of favourable decision and expect no outflow of resources, hence no provision is made in the books of account.

27 CAPITAL WORK IN PROGRESS (CWIP) AND INTANGIBLE ASSTES UNDER DEVELOPMENT

A) Capital work in progress ageing schedule

(₹ in Lakh)

Capital Work in progress	Amount in CWIP as on 31.03.2022 for a period of				
	Less Than one year	1-2 Years	2-3 years	More than 3 years	Total
a) Projects in Progress					
(i) Sulphuric Acid Plant	1,928.02	1,152.93	266.33	-	3,347.28
(ii) Insoluble Sulphur Plant - Dharuhera	191.19	3.99	-	-	195.18
(iii) Insoluble Sulphur Plant - Mundra	447.11	142.48	0.36	-	589.95
b) Projects temporary suspended	-	-	-	-	-
Total	**2,566.32**	**1,299.40**	**266.69**	**-**	**4,132.41**

(₹ in Lakh)

Capital Work in progress	Amount in CWIP as on 31.03.2021 for a period of				
	Less Than one year	1-2 Years	2-3 years	More than 3 years	Total
a) Projects in Progress					
(i) Sulphuric Acid Plant	1,152.93	266.33	-	-	1,419.26
(ii) Insoluble Sulphur Plant - Dharuhera	7,483.61	2,216.23	32.95	-	9,732.79
(iii) Insoluble Sulphur Plant - Mundra	178.50	0.36	-	-	178.86
b) Projects temporary suspended	-	-	-	-	-
Total	**8,815.04**	**2,482.92**	**32.95**	**-**	**11,330.91**

27 CAPITAL WORK IN PROGRESS (CWIP) AND INTANGIBLE ASSTES UNDER DEVELOPMENT (contd.)

B) Intangible Assets under Development ageing schedule (₹ in Lakh)

Intangible Assets under Development	Amount in intengible assets under development as on 31.03.2022 for a period of				
	Less Than one year	1-2 Years	2-3 years	More than 3 years	Total
Projects in Progress					
Insoluble Sulphur Plant - Dharuhera	1.12	-	-	-	1.12
Total	**1.12**	**-**	**-**	**-**	**1.12**

(₹ in Lakh)

Intangible Assets under Development	Amount in intengible assets under development as on 31.03.2021 for a period of				
	Less Than one year	1-2 Years	2-3 years	More than 3 years	Total
Projects in Progress					
Insoluble Sulphur Plant - Dharuhera	6.96	-	-	-	6.96
Total	**6.96**	**-**	**-**	**-**	**6.96**

(C) No completion is overdue as on 31.03.2022 & 31.03.2021.

(D) No project has exceeded its cost compared to its original plan as on 31.03.2022 & 31.03.2021.

28 FINANCIAL INSTRUMENTS

Financial instruments – Fair values and risk management

Financial instruments by category

(₹ in Lakh)

Particulars	Fair Value Hierarchy	March 31, 2022			March 31, 2021		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets							
Non-current Assets							
Loans	Level 3	-	-	66.80	-	-	74.79
Investments others	Level 2	-	5,990.23	-	-	3,078.56	-
Investments others	Level 3	-	-	1,000.00	-	-	25.00
Others	Level 3	-	-	786.92	-	-	734.11
Current Assets							
Investments	Level 1	6,974.42	-	-	8,629.88	-	-
Investments	Level 3	-	-	4,140.00	-	-	6,800.00
Trade receivables	Level 3	-	-	8,655.64	-	-	8,061.31
Cash and cash Equivalents	Level 3	-	-	174.28	-	-	212.57
Other Bank balances	Level 3	-	-	705.45	-	-	718.02
Loans	Level 3	-	-	75.86	-	-	77.07
Other Financial Assets	Level 3	-	-	153.26	-	-	282.66
TOTAL		**6,974.42**	**5,990.23**	**15,758.21**	**8,629.88**	**3,078.56**	**16,985.53**
Financial Liabilities							
Non-current Liabilities							
Borrowings	Level 3	-	-	9,413.67	-	-	11,289.77
Lease Liability	Level 3	-	-	614.82	-	-	577.32
Other financial Liabilities	Level 3	-	-	9.35	-	-	10.35

28 FINANCIAL INSTRUMENTS (contd.)

(₹ in Lakh)

Particulars	Fair Value Hierarchy	March 31, 2022			March 31, 2021		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Current liabilities							
Borrowings	Level 3	-	-	8,866.98	-	-	6,624.47
Lease Liability	Level 3	-	-	11.79	-	-	4.39
Trade payables	Level 3	-	-	3,130.78	-	-	2,501.99
Other financial liabilities	Level 3	-	-	2,669.68	-	-	2,312.40
TOTAL		**-**	**-**	**24,717.07**	**-**	**-**	**23,320.69**

The fair value of cash and cash equivalents, Other bank balances, trade receivables, short term loans, current financial assets, trade payables, current financial liabilities and borrowings approximate their carrying amount.

Fair value hierarchy

The table shown above analysis financial instruments carried at fair value, by valuation method. The different levels have been defined below:

Level 1 This includes financial instruments measured using quoted prices.

Level 2 The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. There are no transfers between level 1, level 2 and level 3 during the year.

Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

The use of quoted market prices

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date (MTM)

The fair values for security deposits (assets & liabilities) were based on their carrying values.

29 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

A Financial risk factors

The Group is exposed to various financial risks i.e. market risk, credit risk and risk of liquidity. These risks are inherent and integral aspect of any business. The primary focus of the Risk Management Policy is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk consists of foreign exchange risk and interest rate risk. The Group calculates and compares the various proposals of funding by including cost of currency hedging also. The Group uses derivative financial instruments (Forward Covers) to reduce foreign exchange risk exposures.

i. Credit risk

The Group evaluates the customer credentials carefully from trade sources before extending credit terms and credit terms are extended to only financially sound customers. The Group secures adequate advance from its customers whenever necessary and hence risk of bad debt is limited. The credit outstanding is sought to be limited to the sum of advances and credit limit determined by the Group. The Group have stop supply mechanism in place in case outstanding goes beyond agreed limits.

Ageing Analysis of Trade Receivables (₹ in Lakh)

Ageing	As At March 31, 2022	As At March 31, 2021
Upto Six months	8,651.78	8,060.16
Six to Twelve Months	0.18	5.59
1-2 Years	8.91	0.89
2-3 Years	-	-
Above 3 Years	-	-

29 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (contd.)

(₹ in Lakh)

Ageing	As At March 31, 2022	As At March 31, 2021
Gross Carrying Amount	**8,660.87**	**8,066.64**
Expected Credited Losses	(5.23)	(5.33)
Net Carrying Amount	**8,655.64**	**8,061.31**

ii Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of fluctuation in market prices. These comprise three types of risk i.e. currency rate , interest rate and other price related risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

a) Foreign Currency risk

The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments to reduce foreign exchange risk exposures and follows its risk management policies to mitigate the same. After taking cognisance of the natural hedge, the Group takes appropriate hedges to mitigate its risk resulting from fluctuations in foreign currency exchange rate(s).

The following table analysis foreign currency risk from financial instruments as of March 31, 2022:

(Foreign Currency and Indian Currency in Lakh)

Particulars	₹	USD	EURO	GBP	JPY
Financial Assets					
Cash and cash equivalents	-	-	-	-	-
Trade receivables	2,918.06	18.32	18.07	-	-
Other Financial Assets	-	-	-	-	-
Total	**2,918.06**	**18.32**	**18.07**	**-**	**-**
Financial liabilities					
Trade payables	156.20	1.54	0.47	-	-
Borrowings	9,437.65	92.57	19.75	-	1,201.87
Other Liabilities	7.52	0.04	0.05	-	-
Total	**9,601.37**	**94.15**	**20.27**	**-**	**1,201.87**

The following table analysis foreign currency risk from financial instruments as of March 31, 2021:

(Foreign Currency and Indian Currency in Lakh)

Particulars	₹	USD	EURO	GBP	JPY
Financial Assets					
Cash and cash equivalents	-	-	-	-	-
Trade receivables	3,671.95	27.99	18.75	-	-
Other Financial Assets	-	-	-	-	-
Total	**3,671.95**	**27.99**	**18.75**	**-**	**-**
Financial liabilities					
Trade payables	257.83	2.27	0.99	-	8.73
Borrowings	10,575.14	110.28	19.42	-	1,201.65
Other Liabilities	62.48	-	0.73	-	-
Total	**10,895.45**	**112.55**	**21.14**	**-**	**1,210.38**

The following significant exchange rates have been applied during the year. (Amount in ₹)

Currency	Year End Spot Rate As At	
	March 31, 2022	March 31, 2021
USD	75.8071	73.5047
EURO	84.6599	86.0990
GBP	99.5524	100.9509
JPYs (100)	62.2300	66.3600

29 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (contd.)

Sensitivity Analysis

A reasonable possible strengthening (weakening) of the Indian Rupee at March 31 would have affected the measurement of financial instruments denominated in Foreign Currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. A 1% increase or decrease is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonable possible change in foreign currency rate.

1% Increase and Decrease in Foreign Exchange rates will have the following impact on Profit before tax.

(₹ in Lakh)

Particulars	2021-2022		2020-2021	
	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
USD Sensitivity	(57.49)	57.49	(62.16)	62.16
EURO Sensitivity	(1.87)	1.87	(2.06)	2.06
JPYs (100) Sensitivity	(7.48)	7.48	(8.03)	8.03

Forward Contract outstanding for the purpose of Hedging as at the Balance Sheet Date:

(Foreign Currency and Indian Currency in Lakh)

Currency	Cross Currency	As at March 31, 2022		As at March 31, 2021	
		Foreign Currency	₹	Foreign Currency	₹
Financial Assets					
USD *	₹	43.00	3,259.71	37.50	2,756.43
EURO *	₹	33.00	2,793.78	33.00	2,841.27
			6,053.49		**5,597.70**
Financial Liabilities					
USD	₹	66.08	5,009.32	79.48	5,842.50
JPY	₹	900.00	560.07	900.00	597.24
			5,569.39		**6,439.74**

* Includes USD 25.98 Lakh (Previous year USD 24.00 Lakh) and EURO 20.84 Lakh (Previous year EURO 18.65 Lakh) against Sales Orders.

Foreign Currency Exposure not Hedged as at the Balance Sheet Date:

(Foreign Currency and Indian Currency in Lakh)

Currency	Cross Currency	As at March 31, 2022		As at March 31, 2021	
		Foreign Currency	₹	Foreign Currency	₹
Financial Assets					
USD	₹	1.30	98.19	14.49	1,064.89
EURO	₹	5.91	500.49	4.41	379.44
			598.68		**1,444.33**
Financial Liabilities					
USD**	₹	28.07	2,127.97	33.06	2,430.41
EURO**	₹	20.27	1,716.16	21.13	1,819.33
JPY	₹	301.87	187.85	310.38	205.97
			4,031.98		**4,455.71**

** Includes Pre-shipment Credit of USD 21.08 Lakh (Previous year USD 30.87 Lakh) and EURO 19.75 Lakh (Previous year EURO 19.42 Lakh) which shall be liquidated from Export proceeds.

29 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (contd.)

b) Interest Rate Risk and Sensitivity

The Group's exposure to the risk of changes in market interest rates relates primarily to long term debt. Borrowings at variable rates expose the Group to cash flow interest rate risk. With all other variables held constant, the following table demonstrates composition of fixed and floating rate borrowing of the Group and impact of floating rate borrowings on Group's profitability.

Interest Rate Risk Exposure

Particulars	As at March 31, 2022		As at March 31, 2021	
	₹ in Lakh	% of Total	₹ in Lakh	% of Total
Fixed Rate Borrowings	172.97	0.95%	214.23	1.20%
Variable Rate Borrowings	18,107.68	99.05%	17,700.01	98.80%
Total Borrowings	**18,280.65**	**100.00%**	**17,914.24**	**100.00%**

Sensitivity on Variable Rate Borrowings **(₹ in Lakh)**

Particulars	Impact on Profit & Loss Account		Impact on Equity	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Interest Rate Increase by 25 bp	(45.27)	(44.25)	(45.27)	(44.25)
Interest Rate Decrease by 25 bp	45.27	44.25	45.27	44.25

iii Liquidity risk

Liquidity risk arises when the Group will not be able to meet its present and future cash and collateral obligations. The risk management action focuses on the unpredictability of financial markets and tries to minimise adverse effects. The Group uses derivative financial instruments to hedge risk exposures. Risk management is carried out by the Finance department under Forex Policies as adopted and duly approved by the Board. The Group's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and Group monitors rolling forecasts of its liquidity requirements.

The following table analysis foreign currency risk from financial instruments as of March 31, 2022: **(₹ in Lakh)**

Particulars	Carrying Amount	Less than 1 Year	1-5 Years	Total
Borrowings - Current	8,866.98	8,866.98	-	8,866.98
Borrowings - Non-Current	9,413.67	-	9,413.67	9,413.67
Lease Liability - Current	11.79	11.79		11.79
Lease Liability - Non Current	614.82		614.82	614.82
Trade payables	3,130.78	3,130.78	-	3,130.78
Other financial liabilities - Current	2,669.68	2,669.68	-	2,669.68
Other financial liabilities - Non Current	9.35	-	9.35	9.35

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2021:

(₹ in Lakh)

Particulars	Carrying Amount	Less than 1 Year	1-5 Years	Total
Borrowings - Current	6,624.47	6,624.47	-	6,624.47
Borrowings - Non-Current	11,289.77	-	11,289.77	11,289.77
Lease Liability - Current	4.39	4.39		4.39
Lease Liability - Non Current	577.32		577.32	577.32
Trade payables	2,501.99	2,501.99	-	2,501.99
Other financial liabilities - Current	2,312.40	2,312.40	-	2,312.40
Other financial liabilities - Non Current	10.35	-	10.35	10.35

29 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (contd.)

B Capital Risk Management

The Group's Policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. In order to strengthen the capital base, the Group may use appropriate means to enhance or reduce capital, as the case may be.

(₹ in Lakh, unless otherwise stated)

Particulars	As At March 31, 2022	As At March 31, 2021
Borrowings	18,280.65	17,914.24
Equity	57,921.87	54,838.98
Gearing Ratio	**31.56%**	**32.67%**

C The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Group. Based on current indicators of future economic conditions, the Group expects the carrying amount of these assets will be recovered and sufficient liquidity is available to fund the business operations for at least another 12 months. Given the uncertainty because of COVID-19, the final impact on the Group's assets in future may differ from that estimated as at the date of approval of Financial Statements.

30 SEGMENT REPORTING

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group.

As part of Secondary reporting, revenues are attributed to Geographic areas based on the location of the customers.

The following tables present the Revenue, Profit, Assets and Liabilities information relating to the Business/Geographical segment for the year ended 31.03.2022

Information about Business Segment - Primary (₹ in Lakh)

Reportable Segments	Chemicals		Investments		General Engineering products		Total	
	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Revenue	37,816.07	33,250.72	985.77	967.75	5,569.39	4,135.34	44,371.23	38,353.81
Total Revenue from operations	**37,816.07**	**33,250.72**	**985.77**	**967.75**	**5,569.39**	**4,135.34**	**44,371.23**	**38,353.81**
Result								
Segment Result	**5,344.22**	**9,598.15**	**954.61**	**956.22**	**855.37**	**403.73**	**7,154.20**	**10,958.10**
Less : Interest							587.02	654.37
Less : Other unallocable expenditure net off unallocable income							235.33	263.86
Profit before exceptional items and tax							**6,331.85**	**10,039.87**
Less : Exceptional Items							-	-
Profit before tax							**6,331.85**	**10,039.87**
Less: Provision for Taxation(Including Deferred Tax)							1,712.63	1,740.92
Profit for the period							**4,619.22**	**8,298.95**
Profit for the period attributable to:								
Owners of the Parent							4,307.07	7,899.67
Non-Controlling Interest							312.15	399.28
Other Comprehensive Income (Net of Tax)							**161.98**	**(41.82)**
Other Comprehensive Income for the Period attributable to:								
Owners of the Parent							159.84	(43.22)
Non-Controlling Interest							2.14	1.40

30 SEGMENT REPORTING (contd.)

(₹ in Lakh)

Reportable Segments	Chemicals		Investments		General Engineering products		Total	
	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Total Comprehensive income for the period							**4,781.20**	**8,257.13**
Total Comprehensive income for the period attributable to:								
Owners of the Parent							4,466.91	7,856.45
Non-Controlling Interest							314.29	400.68
Other Information								
Segment Assets	64,052.23	58,734.48	18,182.11	18,708.44	3,887.23	3,567.54	86,121.57	81,010.46
Unallocated Corporate Assets							420.83	382.66
Total Assets	**64,052.23**	**58,734.48**	**18,182.11**	**18,708.44**	**3,887.23**	**3,567.54**	**86,542.40**	**81,393.12**
Segment Liabilities	24,199.33	23,075.10	-	-	1,438.05	1,166.71	25,637.38	24,241.81
Unallocated Corporate Liabilities							2,983.15	2,312.33
Total Liabilities	**24,199.33**	**23,075.10**	**-**	**-**	**1,438.05**	**1,166.71**	**28,620.53**	**26,554.14**

Secondary Segment - Geographical by location of customers (₹ in Lakh)

Reportable Segments	Domestic		Export		Total	
	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Revenue	24,538.06	18,922.02	19,833.17	19,431.79	44,371.23	38,353.81
Carrying amount of Trade Receivables	4,646.52	4,205.82	4,009.12	3,855.49	8,655.64	8,061.31
Finished Goods Stock	925.97	734.85	1,970.61	1,440.85	2,896.58	2,175.70

Other Information:

The Group has common assets for producing goods for domestic market and overseas market.

Notes:

(i) The Group is organised into three main business segments, namely;

- Chemicals
- Investments
- General Engineering Products

Segments have been identified and reported taking into account, the nature of products, the differing risks and returns, the organisation structure, and the internal financial reporting systems.

(ii) The segment revenue in the geographical segments considered for disclosure are as follows:

(a) Revenue within India includes sales to customers and investment income in India.

(b) Revenue outside India includes sales to customers located outside India and earnings outside India and export incentives/ benefits.

(iii) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

31. RELATED PARTY DISCLOSURES

Related party disclosure, as required by Indian Accounting Standard-24, is as below:

I.	Name of the Related Party		Relationship
(a)	Duncan International (India) Limited	:	Enterprise over which relative of key management personnel is having significant influence.
(b)	Cosmopolitan Investments Ltd.	:	Enterprise over which key management personnel is having significant influence.
(c)	New India Investment Corporation Ltd.	:	Enterprise over which key management personnel is having significant influence.
(d)	Haldia Investments Ltd.	:	Subsidiary of Cosmopolitan Investments Ltd.
(e)	Disciplined Investments Ltd.	:	Subsidiary of Cosmopolitan Investments Ltd.

II. Key Management Personnel (KMP) & their relatives with whom transactions have taken place:

(a) Key Management Personnel (KMP)

(i)	Mr. J.P. Goenka - Chairman of Holding Company & Subsidiary Company	:	Chairman and Relative of Key Management Personnel
(ii)	Mr. Arvind Goenka Managing Director of Holding Company & Director of Subsidiary Company	:	Managing Director
(iii)	Mr. Akshat Goenka -Joint Managing Director of Holding Company & Managing Director of Subsidiary Company	:	Joint Managing Director
(iv)	Mr. Anurag Jain - Chief Financial Officer of Holding Company	:	Chief Financial Officer
(v)	Mr. Pranab Kumar Maity - Company Secretary of Holding Company	:	Company Secretary
(vi)	Mr. S.J. Khaitan (Director of Holding Company)	:	Non-Executive Director
(vii)	Mr. O.P. Dubey (Director of holding Company and Subsidiary Company)	:	Non-Executive Director
(viii)	Mr. B.B. Tandon (Resigned w.e.f 31.01.2022 from Holding Company) (Director in Subsidiary Company)	:	Non-Executive Director
(ix)	Mr. K. Raghuraman (Director of Holding Company)	:	Non-Executive Director
(x)	Mrs. Runa Mukherjee (Director of Holding Company)	:	Non-Executive Director
(xi)	Ms. Kiran Sahdev - Nominee of Life Insurance Corporation of India (LIC) in Holding Company	:	Non-Executive Director@
(xii)	Mrs. Arti Kant - Director of Subsidiary Company	:	Non-Executive Director
(xiii)	Mr. K. Nitin Kaul - Director of Subsidiary Company	:	Key Management Personnel
(xiv)	Mr. K. Raghu Raman - Chief Financial Officer of Subsidiary Company	:	Key Management Personnel
(xv)	Mr. Rajib Kumar Gope - Company Secretary of Subsidiary Company	:	Key Management Personnel

@ Director's fees paid to Ms. Kiran Sahdev whereas commission paid to LIC

(b) Relatives of Key Management Personnel

(i)	Mrs. Aparna Goenka	Relative of Key Management Personnel

31. RELATED PARTY DISCLOSURES (contd.)

III. Entities Controlled by Key Management Personnel with whom transactions have taken place:

(i) Oriental CSR Trust	:	Trust in which key management personnel are Trustees
(ii) Oriental Carbon & Chemicals Limited Employees Gratuity Fund	:	Trust in which key management personnel are Trustees

IV. The following transactions were carried out with related parties in the ordinary course of business: (₹ in Lakh)

Particulars		Year Ended March 31, 2022	Year Ended March 31, 2021
(a) Key Management Personnel (KMP) & their relatives :			
Mr. J.P. Goenka	Commission and Sitting fee	2.00	2.09
Mr. Arvind Goenka	Remuneration#	236.76	266.54
	Sale of Investment	-	(159.52)
	Dividend Paid	18.28	10.75
	Director Sitting Fees	1.15	1.00
Mr. Akshat Goenka	Remuneration#	265.56	271.28
	Dividend Paid	17.00	10.00
Mr. Anurag Jain	Remuneration#	153.41	163.99
	Dividend Paid	0.45	0.27
Mr. Pranab Kumar Maity	Remuneration#	42.44	39.07
Mr. Rajib Kumar Gope	Remuneration#	11.42	10.68
Mr K Raghuraman (CFO of Subsidiary Company)	Remuneration#	38.96	35.24
Mr. S.J. Khaitan	Commission and Sitting fee	15.83	22.13
Mr. O.P. Dubey	Commission and Sitting fee	15.95	20.79
Mr. B.B. Tandon	Commission and Sitting fee	1.15	18.30
Mr. Nitin Kaul	Commission and Sitting fee	2.40	2.05
Mrs. Arti Kant	Commission and Sitting fee	2.55	2.15
Mr. K. Raghuraman (Director of holding Company)	Commission and Sitting fee	10.50	15.17
Mrs. Runa Mukherjee	Commission and Sitting fee	9.00	10.57
Mrs. Kiran Sehdev	Commission and Sitting fee*	6.25	6.98
* Includes ₹ 3.75 lakh (previous year ₹ 5.43 lakh) commission paid to LIC			
(b) Relatives of Key Management Personnel (KMP) :			
Mrs. Aparna Goenka	Dividend Paid	34.00	20.20
(c) Enterprise over which relative of key management personnel is having significant influence :			
Duncan International (India) Limited	Dividend Paid	169.08	99.46
	Service charges paid	84.00	72.00
	Expenses Reimbursed / (Recovered) (Net)	(7.45)	(6.40)
(d) Enterprise over which key management personnel is having significant influence :			
Cosmopolitan Investments Ltd.	Dividend Paid	324.28	190.75
	Rent paid	82.50	78.60
	Expenses Reimbursed / (Recovered) (Net)	(7.86)	(5.26)
New India Investment Corporation Ltd.	Dividend Paid	206.06	121.41
	Service charges paid	42.30	34.56
	Expenses Reimbursed / (Recovered) (Net)	(0.51)	(0.38)

31. RELATED PARTY DISCLOSURES (contd.)

IV. The following transactions were carried out with related parties in the ordinary course of business: (₹ in Lakh)

Particulars		Year Ended March 31, 2022	Year Ended March 31, 2021
	Rent Income	(1.08)	(1.08)
(e) Subsidiary Company of Cosmopolitan Investments Ltd :			
Haldia Investments Ltd.	Dividend Paid	105.29	61.53
Disciplined Investments Ltd.	Dividend Paid	5.10	3.00
(f) Trust in which key management personnel are Trustees			
Oriental CSR Trust	Donations towards CSR Activities	5.00	46.00
Oriental Carbon & Chemicals Limited Employees Gratuity Fund	Contribution to Gratuity Fund	79.02	108.29
# Excludes Actuarial Valuation of Retirement Benefits.			

V. Balances outstanding (₹ in Lakh)

Particulars		As at March 31, 2022	As at March 31, 2021
(a) Payable to :			
(i) Key Management Personnel (KMP) & their relatives :			
Mr. Arvind Goenka	Remuneration & Sitting Fees	75.16	112.14
Mr. Akshat Goenka	Remuneration	118.96	131.40
Mr. Anurag Jain	Remuneration	40.04	54.62
Mr. Pranab Kumar Maity	Remuneration	6.08	3.96
Mr. J.P. Goenka	Commission & Sitting Fees	0.93	1.13
Mr. S.J. Khaitan	Commission	8.55	15.92
Mr. O.P. Dubey	Commission & Sitting Fees	7.89	14.04
Mr. B.B. Tandon	Commission & Sitting Fees	0.65	12.09
Mr. K. Raghuraman (Director of Holding Company)	Commission	5.67	10.91
Mrs. Runa Mukherjee	Commission	4.86	7.61
Mrs. Kiran Sehdev	Commission**	3.38	5.01
**Includes ₹ 3.38 lakh (previous year ₹5.02 lakh) commission payable to LIC			
Mr. Nitin Kaul	Commission	0.65	0.65
Mr. Arti Kant	Commission	0.58	0.58
Mr. K Raghuraman (Chief Financial Officer of Subsidiary Company)	Remuneration	7.08	8.41
Mr. Rajib Kumar Gope	Remuneration	1.17	0.87
(ii) Trust in which key management personnel are Trustees :			
Oriental Carbon & Chemicals Limited Employees Gratuity Fund	Contribution to gratuity fund	19.67	79.02

32 LEASES

(i) Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2022

(₹ in Lakh)

Particulars	Right of use Asset	
	Lease Hold Land	Office Premises
Balance as at April 1, 2021	**1,269.37**	**-**
Additions during the year	-	50.85
Deletion during the year	-	-
Depreciation of Right of use assets (refer note 20)	58.55	1.23
Balance as at March 31, 2022	**1,210.82**	**49.62**

32 LEASES (contd.)

(ii) The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2022:

(₹ in Lakh)

Particulars	Amount
Balance as at April 1, 2021	**581.71**
Transition impact on account of adoption of Ind AS 116 "Leases"	-
Additions during the year	49.93
Finance cost accrued during the year	48.38
Deletions	-
Payment of lease liabilities	(53.41)
Balance as at March 31, 2022	**626.61**
Current maturities of Lease liability {refer note 10 (C)}	11.79
Non-Current Lease Liability {refer note 10 (C)}	**614.82**

(iii) Maturity Analysis of Lease Liabilities as required by Para 58 of Ind AS-116 has been disclosed as follow: (₹ in Lakh)

Period	Amount
0-1 Year	62.95
1-5 Year	273.74
More than 5 Year	875.62
Total undiscounted lease liability	**1212.31**
Impact of discounting	(585.70)
Lease Liability included in Balance Sheet	**626.61**

(iv) The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is approx 9%.

(v) Rental expense recorded for short-term leases was ₹ 109.92 Lakh (previous year ₹ 108.61 Lakhs) for the year ended March 31,2022. (refer note 21).

(vi) The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

33 (a) Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary:

Particulars	As at 31st March 2022							
	Net Assets i.e. Total Asset less Total Liabilities		Share in Profit/ (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (₹ in Lakh)	As % of Consolidated Profit/ (Loss)	Amount (₹ in Lakh)	As % of Consolidated Other Comprehensive Income	Amount (₹ in Lakh)	As % of Consolidated Total Comprehensive Income	Amount (₹ in Lakh)
Parent								
Oriental Carbon & Chemical Limited	96.18	55,708.64	86.48	3,994.74	97.36	157.70	86.85	4,152.44
Indian Subsidiary								
Duncan Engineering Limited*	3.17	1,833.94	6.76	312.33	1.32	2.14	6.58	314.47
Non Controling Interest	**3.16**	**1,832.94**	**6.76**	**312.15**	**1.32**	**2.14**	**6.57**	**314.29**
Inter Company Elimination	**(2.51)**	**(1,453.65)**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**100.00**	**57,921.87**	**100.00**	**4,619.22**	**100.00**	**161.98**	**100.00**	**4,781.20**

33 (a) Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary: (contd.)

Particulars	As at 31st March 2021							
	Net Assets i.e. Total Asset less Total Liabilities		Share in Profit/ (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (₹ in Lakh)	As % of Consolidated Profit/ (Loss)	Amount (₹ in Lakh)	As % of Consolidated Other Comprehensive Income	Amount (₹ in Lakh)	As % of Consolidated Total Comprehensive Income	Amount (₹ in Lakh)
Parent								
Oriental Carbon & Chemical Limited	97.11	53,254.52	90.38	7,500.18	106.70	(44.62)	90.29	7,455.56
Indian Subsidiary								
Duncan Engineering Limited*	2.77	1,519.46	4.81	399.49	(3.35)	1.40	4.86	400.89
Non Controling Interest	**2.77**	**1,518.65**	**4.81**	**399.28**	**(3.35)**	**1.40**	**4.85**	**400.68**
Inter Company Elimination	(2.65)	(1,453.65)	-		-		-	-
Total	**100.00**	**54,838.98**	**100.00**	**8,298.95**	**100.00**	**(41.82)**	**100.00**	**8,257.13**

* Includes share of holding Company only.

(b) Statement containing salient features of the financial statement of Subsidiary Company, Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed form AOC-1 related to Subsidiary Company

Name of the subsidiary : Duncan Engineering Limited

The date since when subsidiary was acquired : April 13, 2012

(₹ in Lakh, unless otherwise stated)

Particulars	As At March 31, 2022	As At March 31, 2021
Reporting period	1st April 2021 to 31st March 2022	1st April 2020 to 31st March 2021
Reporting currency	INR	INR
Share capital	369.60	369.60
Other Equity	3,297.27	2,668.52
Total assets	5,108.20	4,208.00
Total Liabilities	1,441.33	1,169.88
Revenue from Operations	5,576.81	4,148.26
Profit/ (Loss) before exceptional items and tax	847.47	374.97
Exceptional Items	-	-
Profit/(Loss) before Tax	847.47	374.97
Tax Expenses	223.00	(423.80)
Profit/(Loss) for the year after taxation	624.47	798.77
Other Comprehensive Income	4.28	2.80
Total Comprehensive Income	628.75	801.57
Percentage of shareholding	50.01%	50.01%

Notes to Consolidated Financial Statements for the year ended March 31, 2022

34 The group has no transactions with the companies Struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the financial year ended March 31, 2022.

35 Monthly statements/returns filled by the group with banks or financial institutions are materially in agreement with books of accounts.

36 Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

As per our Report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm Reg. No. 000756N

Naveen Aggarwal
Partner
Membership No. 094380

Place : Noida
Date: 24th May, 2022

For and on behalf of the Board of Directors

Arvind Goenka
Managing Director
DIN-00135653

Akshat Goenka
Jt. Managing Director
DIN-07131982

Pranab Kumar Maity
Company Secretary

Anurag Jain
Chief Financial Officer

Corporate Information

BOARD OF DIRECTORS

Mr Jagdish Prasad Goenka
Chairman

Mr Arvind Goenka
Managing Director

Mr Akshat Goenka
Joint *Managing* Director

Mr Suman Jyoti Khaitan
Independent Director

Mr Om Prakash Dubey
Independent Director

Mr Kailasam Raghuraman
Independent Director

Mrs Runa Mukherjee
Independent Director

Ms. Kiran Sahdev
Nominee Director (Nominee of Life Insurance Corporation of India)

AUDIT COMMITTEE

Mr Om Prakash Dubey
Chairman

Mr Suman Jyoti Khaitan
Member

Mr Akshat Goenka
Member

NOMINATION AND REMUNERATION COMMITTEE

Mr Om Prakash Dubey
Chairman

Mr Kailasam Raghuraman
Member

Ms. Kiran Sahdev
Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr Suman Jyoti Khaitan
Chairman

Mr Arvind Goenka
Member

Mr Akshat Goenka
Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr Suman Jyoti Khaitan
Chairman

Mr Arvind Goenka
Member

Mr Kailasam Raghuraman
Member

RISK MANAGEMENT COMMITTEE

Mr Kailasam Raghuraman
Chairman

Mrs. Runa Mukherjee
Member

Mr Akshat Goenka
Member

Mr Vijay Sabarwal
(President-Operation) - Member

Mr Muneesh Batta
(Vice President-Marketing) – Member

OPERATIONAL & FINANCE COMMITTEE

Mr Suman Jyoti Khaitan
Chairman

Mr Arvind Goenka
Member

Mr Akshat Goenka
Member

CHIEF FINANCIAL OFFICER

Mr Anurag Jain

COMPANY SECRETARY

Mr Pranab Kumar Maity

STATUTORY AUDITORS

S S Kothari Mehta & Co.
Chartered Accountants

SECRETARIAL AUDITOR

P Sarawagi & Associates
Company Secretaries

SOLICITORS

Khaitan & Co.

BANKERS

State Bank of India

Export Import Bank of India

Kotak Mahindra Bank Ltd.

CORPORATE IDENTITY NUMBER (CIN)

L24297GJ1978PLC133845

REGISTERED OFFICE

Plot No. 30-33, Survey No. 77
Nishant Park, Nana Kapaya
Mundra, Kachchh
Gujarat – 370415
Email: investorfeedback@occlindia.com

CORPORATE OFFICE

14th Floor, Tower-B, World Trade Tower
Plot no. C-1, Sector-16,
Noida-201301, (U.P.), India
Phone : (0120) 2446850

REGISTRAR AND SHARE TRANSFER AGENT (RTA)

Link Intime India Pvt. Ltd,
Vaishno Chamber, 5th Floor,
Flat Nos-502 & 503
6, Brabourne Road, Kolkata - 700 001
Phone: (033) 4004 9728 / 4073 1698
Telefax : (033) 4073 1698
Email : kolkata@linkintime.co.in

MANUFACTURING UNITS

Dharuhera, Haryana
Plot 3 &4, Dharuhera Industrial Estate
P.O. Dharuhera
Dist. Rewari 123 106, Haryana

Mundra, Gujarat
Survey No. 141, Palki of Mouje
SEZ Mundra, Taluka Mundra
Dist. Kutch 370 421, Gujarat

WEBSITE

http://www.occlindia.com
Investor Relations Email:
investorfeedback@occlindia.com

Oriental Carbon
& Chemicals Limited

Registered Office:
Plot No. 30-33, Survey No. 77, Nishant
Park, Nana Kapaya, Mundra, Kachchh,
Gujarat - 370415, India