

Ref: AKSHAR/SE/2024-25/2409/28

September 7, 2024

To
BSE Limited
Mumbai
BSE Security Code: **524598**

To
National Stock Exchange of India Ltd.
Mumbai
NSE Trading Symbol: **AKSHARCHEM**

SUB: ANNUAL REPORT FOR FY 2023-24

REF: REGULATION 34 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Dear Sir/ Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to submit herewith Annual Report for the Financial Year 2023-24.

We request you to take the same on your records.

Thanking you.

Yours faithfully,
For, Aksharchem (India) Limited

Mehul Naliyadhara
Company Secretary & Compliance Officer
Encl.: A/a.

AKSHARCHEM (INDIA) LIMITED

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Resilient
today.

*Thriving
tomorrow*

Aksharchem (India) Limited
Annual Report 2023-24



Inside the Report >>

02	About Aksharchem (India) Limited
04	Our Strength
06	Geographic Presence
08	Key Performance Indicators
10	Chairpersons Message
12	Message from Joint Managing Director & CEO
14	The Aksharchem Strategy
18	Corporate Social Responsibility
19	Governance
20	Board of Directors
22	Sustainable Practices
23	Notice
41	Directors Report
56	Management Discussion & Analysis
59	Corporate Governance Report
78	Financial Statements

Forward looking statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, 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 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and 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.

The year gone by was difficult, with the dye intermediates and pigments industry continuing to be under pressure. Extended periods of geopolitical tensions, global economic slowdown and volatility in input prices impacted international demand, testing our mettle.

Even as these challenges impacted our operational and financial performance, they could not dampen our indomitable spirit. We remained firm, emerging as a symbol of unwavering determination and unrelenting resilience.

Ours is a company with a legacy spanning three decades, a journey which is a testimony to our hard work and determination, shaping us into the leading player that we are today. While we take pride in our past accomplishments, it is the future that excites us more. We believe that tomorrow is a world of endless possibilities, and we are no longer looking back or being laid back by the present challenges. Our focus is firmly set on the path ahead, driven by the enthusiasm to push our boundaries and seize newer opportunities to emerge stronger.

At Aksharchem, we are not just resilient today, rather we are

ready to thrive tomorrow

About AksharChem (India) Limited

Built to thrive

AksharChem is one of India's leading and globally recognised manufacturers of dyes, pigments and inorganic chemicals. Over the years, we have established a world-class manufacturing and technology infrastructure, an extensive supply chain and a robust portfolio, enabling us to serve our customers across the globe with top-notch quality and reliable supplies.

We are today a formidable force in the industry, being one of India's leading exporters of Vinyl Sulphone, a frontrunner in CPC Green and expanding our footprints into Precipitated Silica capacities in India. With our market-leading position and resilient business model, we are attractively placed to meet the evolving needs of customers most sustainably and cost-effectively. This gives us a competitive edge and positions us to thrive in the long run.

Profile

AksharChem was promoted by Mrs. Paru M. Jaykrishna in 1989 and is headquartered in Ahmedabad, Gujarat. We have two manufacturing facilities, one in Mehsana for Vinyl Sulphone, CPC Green and H-Acid and the other at Dahej for Precipitated Silica. Our products are sold in India and exported across 25+ countries worldwide including Europe, the USA, the Middle East and Africa, and Asia Pacific. Our shares are listed in the BSE Limited (BSE) and the National Stock Exchange of India Ltd (NSE).

Vision

To emerge as global leader in supply of Basic Chemicals by creating value for our esteemed customers by supplying quality products.

Mission

We are committed to use 'Green' technologies in all our manufacturing operations. We also endeavor that we will protect environment by using cleaner technologies and we are responsible for safety and health protection of our work force.

The industries we serve



Textile



Printing Ink



Paint



Rubber



Plastics



Leather



Tyre



Awards won

1. First Award for self-manufactured direct export of Dye Intermediates during the year 2022-23 by GDMA
2. Trophy for self-manufactured domestic sale of dye intermediates more than Rs. 45 crores during the year 2022-23 by GDMA
3. Third Award for self-manufactured direct export of Dyes during the year 2022-23 by GDMA

Our portfolio

Vinyl Sulphone & H Acid

We have 7,800 tonnes of Vinyl Sulphone capacity and 1,200 tonnes of H Acid capacity. It is a reactive dye intermediate finding application in the textile industry. H-acid is a crucial intermediate in dye manufacturing, providing fastness property to finished products.

CPC Green

We have 2,400 tonnes of CPC Green manufacturing capacity. The pigment's stability, insolubility and resistance to migration in the material make it ideal for applications in printing ink, rubber, plastics, paint and leather industries.

Precipitated Silica

We manufacture a wide variety of precipitated silica grades at our modern Dahej plant with 12,000 tonnes capacity. Available in different forms and structures, our products find application as high reinforcement inducing agents in the tyre and rubber industries and for specialty applications in animal feed, agro, and chemical intermediates industries.

CARE A- / CARE A2+

rated for long-term and short-term facilities

Certifications

ISO 9001:2015

ISO 14001:2015

ISO 45001:2018



Our Strengths

Competitive edge for a better tomorrow

Our business is built around several competencies that we have crafted through the years. With our dedication to building on these capabilities and adopting a future-forward approach, we are positioned to thrive on future opportunities and ensure sustained growth and value creation.

We have the most modern manufacturing facilities, powered by the latest technologies and automation infrastructure and following global best practices in environment, health and safety (EHS) and quality.

Resilient and scalable business model

We have established sizeable capacities across a diverse range of products, serving several markets and sectors globally. Our competitive edge is built on cost efficiency, fuelled by economies of scale, integrated operations, and strategically located plants in proximity to suppliers. This empowers us to leverage our large-scale production and robust market potential to effectively serve

Proven leadership excellence

Our leadership team comprises professionals with expertise in the chemical industry as well as in business management, global markets, macro-economy, strategy development and execution and sustainability. Their dedication to the Company's growth and strategic objectives ensures our long-term success.

Financial prudence and stability

Our disciplined capital management strategy enables us to attain long-term objectives while sustaining a strong financial foundation. Despite periods of challenges, we continue to maintain a healthy net worth of Rs. 25,918.63 lakhs and a net debt:equity of 0.20 as on March 31, 2024, giving us headroom to scale operations. Through continued focus on this approach, we intend to maintain sustainable debt levels.

Supply chain resilience

Our strategic location in the chemical belt of Gujarat ensures proximity to major raw material suppliers. We have also established deep relations with multiple suppliers, ensuring steady raw material supplies and uninterrupted operations.

World-class infrastructure and manufacturing practices

We have the most modern manufacturing facilities, powered by the latest technologies and automation infrastructure and following global best practices in environment, health and safety (EHS) and quality. We also have in-house laboratories with high-end instrumentation. These contribute to high productivity, quality excellence and responsible manufacturing. Our culture of zero tolerance for quality standard deviations gives us a unique track record of zero returns due to quality issues, resulting in stronger customer relations.

Strong relations with marque clients

We maintain long-term relationships with esteemed global customers, driven by our commitment to quality and supply. With over 25 years of successful relationships, we secure substantial repeat business from key customers. Additionally, our strong ties with suppliers ensure a consistent and uninterrupted flow of raw materials, supporting seamless operations. These enduring partnerships highlight our dedication, trustworthiness, and focus on mutual success.

Responsible practices

We have invested in sustainable technologies at our plants which ensure lower emissions, effective waste and wastewater management and optimal utilisation of resources including water and raw materials. We have also implemented multiple safety measures, including SOPs and ongoing training, ensuring the safety of people and assets.



Geographic presence

A thriving tomorrow with global expansion

We have a presence in 30+ countries across the globe. We continue to penetrate these markets with ongoing efforts to demonstrate our product quality, strengthen our portfolio and enhance engagements with existing and new customers.

North America

Canada, USA, Mexico

South America

Brazil

Europe

Germany, Netherlands, United Kingdom, Belgium, France, Italy, Spain, Denmark, Ireland

Middle East and Africa

Turkey, UAE, South Africa

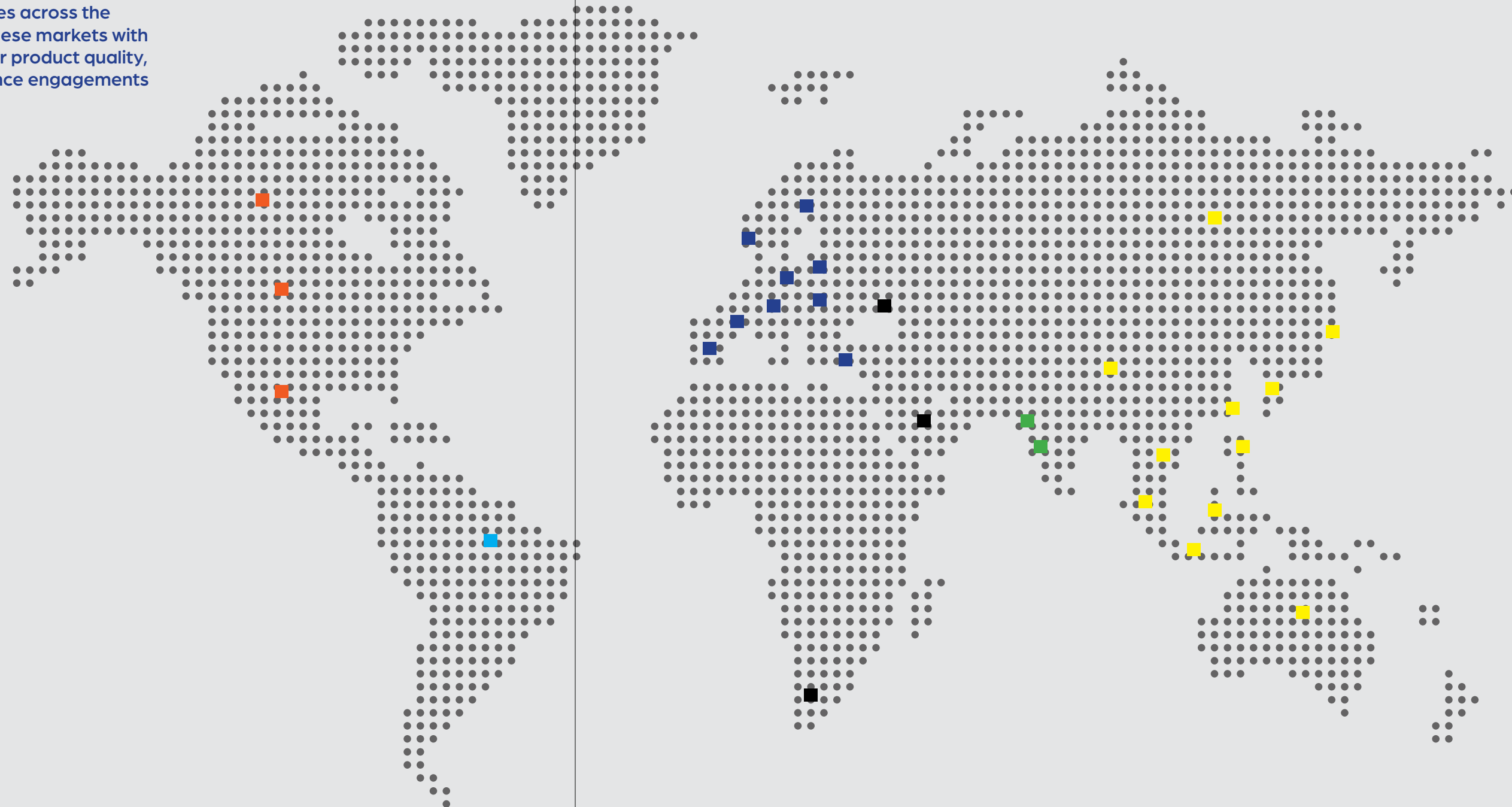
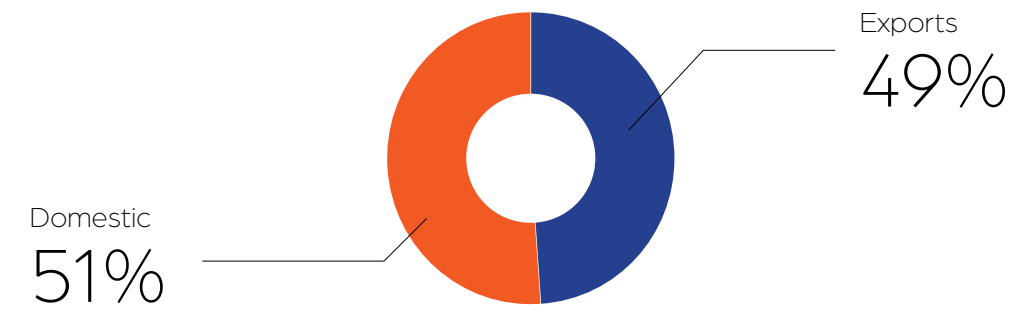
India

Headquarter: Ahmedabad
Manufacturing facilities:
Indrad-Mehsana,
Dahej-Bharuch, Gujarat

Asia Pacific

China, South Korea, Japan, Taiwan, Thailand, Malaysia, Indonesia, Philippines, Australia, Russia, Vietnam

Share of revenue



Key performance indicators

Performance Highlights of the Year



Dyes, Pigments and Precipitated Silica volume

(metric tonnes)



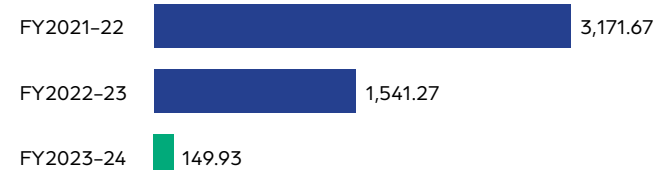
Revenue from operations

(₹ in Lakh)



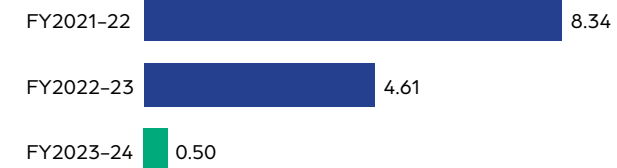
EBITDA

(₹ in Lakh)



EBITDA Margin

(In %)



PAT Margin

(In %)



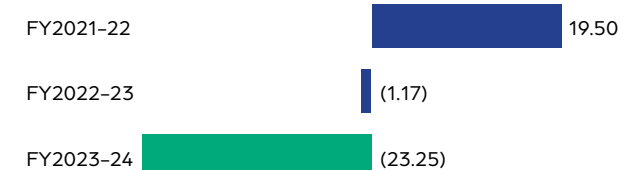
Return on Equity

(In %)



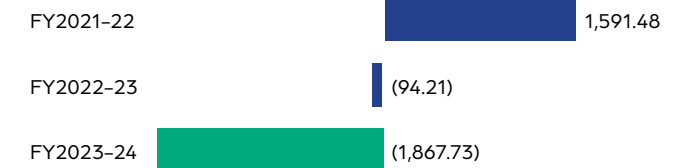
Earnings Per Share

(₹)



PAT

(₹ in Lakh)



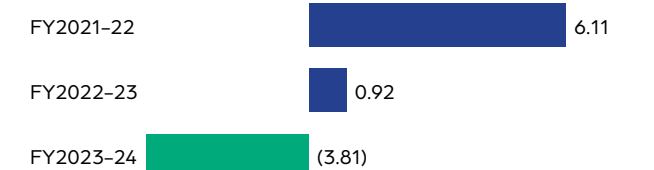
Net Worth

(₹ in Lakh)



Return on Capital Employed

(In %)



Chairperson's Message

Shaping our tomorrow

Dear Shareholders,

Across the world, the year gone by was one of significant instability. The rising geopolitical tensions and volatility in input prices slowed down the macroeconomic scenario across most countries, affecting the demand for dye intermediates and pigments.

Closer home, the Indian economy witnessed sustained buoyancy, recording one of the fastest growths among major economies. However, the chemical industries continued to face the heat due to various challenges and dynamic factors. On the supply side, supply chain bottlenecks and higher energy prices emanating from geopolitical disturbances led to operational and cost pressures. On the demand side, dumping by competing countries, especially China, at lower prices led to pricing pressures. This was kind of a triple blow for the Indian dye and intermediates companies – lower international demand, higher input costs and reduced pricing power. This impacted both the operational and financial performances of most companies. Your Company along with the industry peers are contemplating these issues, especially anti-dumping duty relief from China, though the pace

of resolution is slow and these may persist a little longer.

Facing the storm head-on

Amidst the tough operating scenario, two of our products, H-Acid and CPC Green were under pressure. The performance of our Precipitated Silica product line was encouraging, with significant breakthroughs and increased adoption. We are happy with the wider market and customer coverage that it has opened, putting us in a position of strength. Overall, I would say the performance of our products was resilient considering the broad-based downtrend seen in the basic chemical industry. We continue to develop our product strength, aligning with the market scenario.

We closed FY 2023-24 with a revenue of Rs. 30,204.70 lakhs, a decline of 9.75% over the previous year. High costs and lower realisation impacted profitability. EBITDA stood at 149.93 lakhs, while at a net level, we incurred a loss of Rs. 1,867.73 lakhs. Despite the extended period of challenges, our financial health and liquidity position are robust. The net

worth is healthy at Rs. 25,918.63 lakhs and the net debt to equity stood at 0.20, giving us an adequate cushion for the long term.

Looking beyond challenges

The chemical industry in India has undergone a remarkable transformation, propelled by rising urbanisation, technological advancements, and population expansion. It has evolved into an integral and indispensable component of the nation's economic landscape. Though the current phase is nothing but momentary and markets should soon improve.

AksharChem has exhibited sustainable performance despite this highly vulnerable period. As soon as the situation of geopolitical instability and the global economy starts improving, we believe our performance will be back on track. Our actions around strengthening customer relationships, diversification with new product line, cost optimisation and capacity expansion position us for a better future.

The success of the Precipitated Silica venture is a silver lining. Our silica grades have been commercially accepted and approved by all key tyre and non-tyre

rubber companies in India and abroad. Given the challenging international markets, our strategic decision to focus on the domestic market has paid off. We are already in commercial transactions with all the key tyre and non-tyre rubber customers in India. The focus now is to leverage this foundation to target overseas customers to widen our network of customers.

Our aspiration over the coming years is to emerge as one of the top three silica suppliers with exceptional quality and service. Every activity within the company is directed towards this objective. We are underway with various capex programmes, scheduled for commissioning during FY 2024-25, which shall help expand our offerings to value-added silica grades and open new opportunities. Our target is to operate these capacities at 100% utilisation.

Focused on value creation

Nobody knows how long the global macro situation will last, that is beyond our control. I can assure our stakeholders that AksharChem will come out stronger. With our solid business fundamentals, strong position across key products, the agility shown by our teams in creating new markets and customers and the encouraging feedback we get from them, we are confident to rebound soon.

I thank all our stakeholders for their constant support and encouragement. Your trust in us gives us strength and motivation to think beyond today and keep pushing ourselves. I thank all our business partners and employees for staying strong together with the

AksharChem has exhibited sustainable performance despite this highly vulnerable period. As soon as the situation of geopolitical instability and the global economy starts improving, we believe our performance will be back on track.

organisation, and ensuring we continue to surpass the expectations of the customers. Our aspirations going ahead are bigger and we seek the continued support of all stakeholders so that we can achieve greater things and create value for all.

Warm regards,

Paru M. Jaykrishna

Chairperson



Message from
Joint Managing Director & CEO

Resilience and perseverance tomorrow

Dear Shareholders,

I am delighted to present our FY 2023–24 annual report and share with you our performance and future aspirations. Through the year we were faced with challenging circumstances on multiple fronts. AksharChem demonstrated strength and resilience, drawing inspiration from our decades of unwavering perseverance and dedication which saw through many ebbs only to rise higher again.

While our performance during the year was impacted by external factors, several positive developments transpired reinforcing our belief in self and confidence in the future. We stand firm and steady, ready to build on our solid foundation. I am proud of what our team has accomplished so far, but it is the future and the enormous potential that lies ahead that fuels our passion. Every member of AksharChem family is committed and determined to deliver beyond expectations every single time, and I firmly believe that the future holds a world of possibilities for us.

You would be delighted to know



that even amidst the external disturbances we maintained a sharp focus on operational excellence and performance parameters. Our production volumes increased by 19.60% to 17,895 MT and the sales volume was higher by 18.76% to 17,591 MT. However, pressure on product prices due to dumping from China lowered realisation and thus our topline. A simultaneous spike in raw material costs affected our bottom line.

That said, our fundamentals remain strong. Our operations continue to be robust and the overall performance

of our products was commendable considering the downtrend in the basic chemical industry. We stayed proactive in enhancing our product strength in alignment with the market dynamics. We achieved success on the customer relations front. Ongoing efforts to ensure customer engagement, visits, and focus on delivering customised products and packaging are helping deepen our relationships. Quality consistency and providing high levels of customer support have proven effective in stabilising our business.

These developments give us confidence



Flexibility and agility are critical during unpredictable times. And so, we are conducting sales and operations planning meetings regularly. Through this, we ensure proactive identification and resolution of issues in an efficient and timely manner, while also being at the forefront of opportunities.

that our performance will be back on track, once geopolitical and global economic scenarios start improving. Therefore, rather than being passive, we have been working diligently to advance to the future we aspire for and shape a better tomorrow.

Scaling the Precipitated Silica operations has been a top priority. We are extremely optimistic about this business. So far, we have covered immense ground in getting the brand registered, increasing customer engagement and undertaking market development. Our silica grades are now commercially accepted and approved by all key tyre companies as well as most non-tyre customers domestically. Several overseas customers have also approved them for commercial use.

These efforts contributed to a healthy performance in our Precipitated Silica portfolio, with sales volumes increasing by 26.20% to 10,204 MT in FY 2023–24. Most of the sales came from domestic operations, given our strategic stance of concentrating on this market due to the weakness in the international markets. We successfully established relationships with several new customers. Now with the global market steadily improving, the intent is to leverage the strong domestic foundation to further penetrate the domestic market and also target international opportunities. A capacity expansion at our Dahej unit is underway to widen our portfolio, with mixes like conventional precipitated silicas, micro pearl silicas and highly dispersible silicas. This will expand our

target market and strengthen market competitiveness.

Flexibility and agility are critical during unpredictable times. And so, we are conducting sales and operations planning meetings regularly. Through this, we ensure proactive identification and resolution of issues in an efficient and timely manner, while also being at the forefront of opportunities.

Digital technology integration across the organisation has been yet another focus and investment area. The automation of reports and financial dashboards has enhanced our ability to monitor and evaluate the impact of various financial metrics, improving decision-making. We are leveraging tools like SAP, social platforms such as LinkedIn, and online web portal management to enhance customer engagement and respond to their queries with speed. We have aligned with various customers for digital transactions, enabling document sharing, purchase order access, and payment processing through customer portals. More operations and processes will be digitalised in a phased manner towards becoming a more efficient, data-driven organisation.

On the operational front, our focus is on cost optimisation, backward integration, productivity and efficient improvements and capacity expansion. The management is tracking and pursuing these parameters continually to enhance our market competitiveness and success in the future.

Looking ahead, we anticipate the industry scenario to improve. We are prepared to move with agility and seize opportunities, supported by our solid portfolio, strong relations with customers in India and globally, and best-in-class operational practices. More than anything, our team stands out in the industry with their deep expertise, innovative mindset, and unwavering customer focus. These strengths are integral to our success and align with our strategic objectives of driving innovation and delivering exceptional service. This alignment is evident in our consistent market leadership and high customer satisfaction ratings.

In closing, I extend my heartfelt gratitude to all our stakeholders for being a constant source of inspiration and always supporting us. Peaks and troughs are a part of any business. But I assure you that we are committed to ensuring steady growth in the long run and creating value for all. We look forward to your constant support.

Warm regards,

Munjal M. Jaykrishna

Jt. Managing Director & CEO

Building a thriving tomorrow

Investing in scaling competencies and capabilities

Our vision for a better tomorrow hinges on our preparedness to meet future demand, most efficiently and sustainably. By integrating world-class manufacturing practices and technologies, excelling in customer service standards and investing in digital technologies, we are positioned to set new benchmarks in operational performance and stay at the forefront of opportunities.

Manufacturing excellence at AksharChem

Notching up operational efficiency

Our commitment to operational excellence is exemplified in our cutting-edge, centralised and fully automated manufacturing facility at Dahej which operates under Distributed Control System (DCS) controls, ensuring precision and efficiency. Our fully equipped laboratory, with trained chemists, upholds stringent quality control systems using ISO and ASTM-based test methods to guarantee the highest product standards.

Our facilities are also equipped with excellent packing systems with automation for seamless and accurate packaging of small and jumbo bags, alongside flexibility for customisation packaging. All utility sections, including the Reverse Water Treatment Plant (RWTP), Effluent Treatment Plant (ETP), and Boiler, are equipped with Programmable Logic Controller (PLC)

controls, ensuring optimal performance and reliability.

Continuous quality improvement

We prioritise quality improvement through comprehensive measures such as material quality analysis and packaging materials evaluation. Through rigorous vendor evaluation and development efforts, we ensure consistency in raw material quality, aligning with ISO procedures and industry standards. Our quality excellence continues to strengthen our relationships with key customers and reinforces our brand reputation.

Capacity expansion

We are committed to expanding the capacities of various types of precipitated silicas, including conventional, micro pearl silicas and highly dispersible silicas. >>>



Our focus areas to reinforce manufacturing competitiveness

- Focus on cost control measures
- Backward integration for uninterrupted operations
- Enhancing efficiency and productivity
- Timely implementation of capex programmes to meet upcoming demand

Customer excellence standards

At AksharChem, we are strengthening customer relationships through regular engagements, conducting plant visits and offering personalised product and packaging solutions tailored to their needs. Our commitment to quality and supply consistency with exceptional customer support enables them to better manage their production plans and ensure uninterrupted operations. Additionally, we continually undertake efforts around achieving quality certifications, upholding environmental responsibilities and regulatory compliance, and ensuring safe, secure and efficient operations. These have strengthened our relations and established our reputation as a reliable supplier of diverse silica grades.

Scaling digital excellence

We are integrating digital technologies across the organisation aimed at enhancing operational efficiency, improving customer interactions and delivering superior service. Our efforts include implementing advanced tools such as SAP to streamline operations, leveraging social platforms like LinkedIn and utilising online web portal management for customer queries and engagements. We have also undertaken digital transaction integration with several customers through dedicated portals for seamless document sharing, access to purchase orders, payments, and more.

Through ongoing digitalisation efforts, we aim to progressively encompass more operations over the years to further strengthen our competitive edge.

Building a thriving tomorrow

Strategising to scale the Precipitated Silica Business

Precipitated Silica products are gaining increasing popularity among tyre manufacturers as well as other non-tyre companies. At AksharChem, we are continually strengthening our market reach, presence and portfolio to address the market needs.

Building on our competitive edge



Quality excellence and market acceptance

- Ensuring reliable and consistent product quality
- Our AKSIL brand, being trademark registered and with our commitment to quality and consistency, is witnessing increased market traction. Our silica grades have achieved commercial acceptance with all key tyre companies in India and major customers in both tyre and non-tyre sectors domestically and internationally, including approvals for commercial use in Sri Lanka, Bangladesh, Vietnam, and Turkey



Customer value proportion

- Consistent quality output under stringent process control parameters with assured supply
- Meeting all safety, sustainability and regulatory requirements

Our strategy

- Penetrate domestic market: We have successfully established a market for our silica products in India, engaging in commercial transactions with all the key tyre and non-tyre rubber customers. We continue to enhance relations with these customers to scale business.

- Capacity and portfolio expansion: We are currently installing additional capacities for expanding into various precipitated silicas types including conventional, micro pearl and highly dispersible silicas etc. We further have on anvil Phase 3 expansion plans, which will be taken up upon completion of the existing expansion.
- Build overseas: We are focused on targeting key customers in the overseas market to widen our network of customers.

We aim to be one of the top three silica suppliers in India/ world with a high degree of quality and service

Human resource management

Unlocking people potential

The industry expertise, innovative mindset, and unwavering customer focus of our people are integral to our success, aligning with our strategic objectives of driving innovation and delivering exceptional service. We continue to nurture their competencies and provide them with an engaging and satisfying workplace to ensure they contribute to our market-leading position and high customer satisfaction.

Talent and leadership development

We have implemented several programs to enhance employee skills and knowledge and ensure their future readiness. This includes training (operational, safety and technical), leadership development, project management, emergency management plans and customised training modules to meet their individual goals. Our professional development training focuses on current industry trends and essential soft skills to prepare employees for future challenges.

Our leadership development efforts including comprehensive training programs, cross-functional project assignments, and executive mentoring ensure succession planning and build a robust pipeline of future leaders. These prepare employees for higher responsibilities by building essential leadership skills and providing exposure to different business aspects.

We ensure retaining our top talent through implementing competitive compensation packages, career advancement opportunities, and a positive work-life balance. We also conduct regular retention interviews to understand and address the needs of our high performers.

Enhancing employee engagement

Employee engagement is key to ensuring employee satisfaction and retention, and we have adopted a multi-faceted approach towards this, including:

Employee recognition programs

We undertake to recognise and celebrate the achievements and exceptional performances of employees, including through annual recognition awards. This significantly improves employee morale and makes them feel valued.

Feedback mechanisms

We conduct regular engagement surveys to gather employee feedback and address their concerns promptly, which in turn contributes to increase in overall productivity.

Regular team-building activities

We organise cricket match events to promote teamwork and camaraderie among employees, helping strengthen interpersonal relationships and enhance our collaborative culture.

Initiatives for contract labourers

We have established awards and cash incentive systems for the contract labourers to keep them motivated and satisfied, fostering optimal team performance and desired outcomes.

Promoting diversity and inclusion

We promote diversity and inclusion by ensuring unbiased recruitment practices, conducting diversity training programs and establishing employee resource groups. By setting and regularly tracking our progress on goals, we have substantially increased diversity alongside an improvement in workplace culture and diversity of thoughts and perspectives.

Corporate social responsibility

Empowering a prosperous community

Our growth is intrinsically linked to the value we create for our communities. We engage with them and undertake meaningful actions for their holistic growth. We proactively align our business goals with social efforts to play a greater role as a responsible corporate citizen, striving to bring positive change and positively contribute to society's betterment.

Promoting healthcare and education

Education is vital for empowering individuals and fostering societal growth. At AksharChem, we recognise this importance and are committed to

enhancing educational opportunities by supporting schools with various provisions and providing scholarships. We also ensure the well-being of the communities in which we operate by supporting health camps and contributing to infrastructure upgrades for local healthcare facilities. AksharChem remains dedicated to these efforts which not only enhance individual lives but also contribute to the holistic development of society.

Rs. **24.10** lakhs
CSR spending in FY
2023-24

Governance

Stronger foundation for a thriving tomorrow

Our operations are underpinned by a commitment to upholding robust governance and ethical practices, transparency, accountability, and integrity. By stringently adhering to these practices alongside implementing continual improvements, we ensure responsible business decisions. Our robust governance mechanism enhances business sustainability and resilience, while also protecting the stakeholders' interests. These efforts help establish enduring relationships, positioning us for long-term success in a dynamic environment.

Corporate governance

We have in place a robust governance framework, systems and processes which support our mission, vision and values. It not only ensures meeting legal obligations but also contributes to our operational excellence and serves the interests of all stakeholders. It positions us to effectively tackle the changing landscape, ensuring we attain our strategic objectives and in turn deliver value for our stakeholders. Our efforts have resulted in consistent returns to the shareholders, timely tax payments, contribution to economic development and creation of growth opportunities for our business partners, employees and society at large.

We adopt a top-down approach with the Board leading the governance responsibilities, while every employee passionately adheres to these practices. Our Board also undertake the responsibility of supervising our performance and decision making.

Ethical business practices

We maintain the highest standards of ethical practices and business conduct, led by our Code of Conduct which is stringently followed by all employees. We also have multiple policies that guide our actions and ensure adherence to regulatory, legal and voluntary regulatory practices. Through this, we conduct business activities with integrity, transparency and accountability. We practise a culture of zero tolerance for any unlawful practices for our employees as well as the supply chain partners.

Governance at AksharChem

50%
Independent Directors

Zero
Instances of unlawful practices

100%
Employees read the Code of Conduct

Governance policies

- Prohibition of Insider Trading
- Prevention of Fraud
- Anti-Bribery and Corruption
- Whistle-Blower
- Anti-Money Laundering
- Confidentiality of Information
- Prevention of Sexual Harassment (POSH)

Governance

Stronger foundation for a thriving tomorrow

Our Board of Directors



Mrs. Paru M. Jaykrishna

Founder, Chairperson & Mg. Director

She is a Law Graduate and holds a Bachelor's degree in Philosophy and Sanskrit & Master's degree in English Literature. Her role in the organisation is that of strategic decision-maker and policy-maker to ensure growth. She is one of the most renowned Women Entrepreneurs in India and was the First and only Elected Lady President of the Gujarat Chambers of Commerce and Industry in 75 years. In past, she has been the Director of the Tourism Corporation of Gujarat, Gujarat State Handloom House Corporation and the Small Industries Development Bank of India (SIDBI).



Mr. Munjal M. Jaykrishna

Joint Managing Director & CEO

He is a Major in Finance and Marketing from Lehigh University, Bethlehem (USA). He has an experience of working with the Bank of California (San Francisco) as a Financial Analyst and Paragon Knits, Bethlehem (USA) as a Consultant. He is currently taking all management decisions and looking overall developments of the Company. He is associated with the Company since 1994.



Mr. Gautam M. Jain

Independent Director

He is a Science (Chemistry) and law graduate. A renowned industrialist with vast experience of 47 years in the Chemical Industry, he is the founder promoter of Metrochem Industries Limited. He is also (1) Chairman, Shree Bhagwan Mahaveer Viklang Sahayata Samiti, Ahmedabad (2) Chairman, ShantiNiketan, School at Balotra (Rajasthan), (3) Steering Committee member - JITO (Jain International Trade Organization), (4) Trustee - Lion's Eye Hospital and Lion's School at Ahmedabad (5) Past Chairman, Rajasthan Hospital, Ahmedabad (6) Past President, Rajasthan Seva Samiti, Ahmedabad (7) Past President, Gujarat Dyestuff Manufacturers Association (GDMA), Ahmedabad.



Dr. Pradeep Jha

Independent Director

He is an esteemed mathematician with 46 years of teaching experience, widely recognized for his insightful contributions to the field. His impressive research output includes over 20 published articles in prestigious international journals, in addition to authoring numerous books on mathematics and operations research. Mr. Jha has also developed customised soft skills programmes for corporate entities and serves as a valued advisor to a number of universities. He has been associated with the Company Since 2002.



Mr. Jigar M. Patel

Independent Director

He is an LL.M. (Honours) graduate in International Taxation from NYU School of Law. He worked as an International Tax Attorney with PricewaterhouseCoopers in New York for a few years. He is currently the Executive Director of International Tax & Investment Consultants at Ahmedabad. He has earned fame and esteem in his niche areas of specialization being Corporate Taxation, Tax Planning for NRIs and International Taxation. He has co-authored several books on taxation and participated in TV discussions on a wide range of tax subjects. He was awarded the Feelings Multimedia 'Pride of India Award - 2018' in recognition of his Professional Excellence as an International Tax Expert and for Promoting NRI Investments into India. He has been associated with the Company since 2017.



Ms. Maitri K. Mehta

Independent Director

She is a Fellow Member of The Institute of Cost Accountants of India (FCMA), an MBA (Finance) from the KS School of Business Management and a Fellow Member of the Insurance Institute of India (FII-Life). She is a Practicing Cost Accountant. She has proficiency in Cost and Management Accountancy. She has been associated with the Company since 2019.



Mr. Gokul M. Jaykrishna

Director

He is a Major in Finance and Marketing from Lehigh University, Bethlehem (USA). He has the experience of working with Krieger Associates, New Jersey (USA) one of the largest currency option traders. He has been associated with the Company since 1994.



Mr. Ashok Barot

Director

He is a Master of Science (M. Sc.) from North Gujarat University. He is the Senior Manager-Technical Services at the Company looking after plant administration and technical issues, and brings over 28 years of experience in the Chemical field. He has been associated with the Company since July 2004. He is currently looking after plant administration as well as technical issues of the Company.

Sustainable practices

Securing a greener future with responsible operations

We recognise the impact that our operations can have on the environment, biodiversity and life on land. We are continuously investing in better technologies, innovation and adoption of global best environment practices to make our operations sustainable and contribute to an equitable future for all.

Ensuring effective waste management

All wastes generated from our operations are treated at GIDC's common effluent treatment plant, managed by Supervisory Control and Data Acquisition (SCDA) systems, ensuring compliance within permissible limits. Solid wastes are managed at government-approved sites.

Optimal utilisation of resources

We practice the philosophy of reduce, reuse and recycle. Implementing best practices and using technologies, we ensure optimal utilisation of resources in our manufacturing. This has reduced the consumption of freshwater and natural resources. We further have water treatment plants at our manufacturing facilities, the treated wastewater from which is used for gardening and toilet facilities. The use of automated packaging machines has significantly

reduced packaging waste.

Emissions management

Our carbon footprint mainly stems from energy consumption and transportation. Through investments in upgrading plant infrastructure, better technologies and R&D activities we have significantly enhanced manufacturing efficiencies, contributing to lower energy usage. A 94.50 Kw captive solar power capacity, has further reduced dependence on fossil fuel-based energy. Additionally, we also maintain and expand a green belt through tree plantation, serving as a carbon sink.

Our transportation-related emissions continue to be low given the strategic location of our plant in proximity to vendors and seaports. Our robust

vendor management practices supported by the use of technology help in optimising supply chain efficiency and optimal truck movements.

Other emissions are maintained below the local emission standards through an ambient air monitoring system. The application of advanced technologies like electrostatic precipitators ensures the elimination of particles and minimises harmful emissions.

NOTICE

Notice is hereby given that the 35th Annual General Meeting of the Members of **AKSHARCHEM (INDIA) LIMITED** will be held on Monday, 30th September, 2024 at 10:30 a.m. at the Registered Office of the Company at "Akshar House", Chhatral-Kadi Road, Indrad-382715, Mahesana, Gujarat to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon.
2. To declare a final dividend on Equity Shares of the Company for the financial year 2023-24.
3. To appoint a director in place of Mrs. Paru M. Jaykrishna (DIN: 00671721), liable to retire by rotation and being eligible, offers herself for re-appointment.
4. To appoint a director in place of Mr. Gokul M. Jaykrishna (DIN: 00671652), liable to retire by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. APPOINTMENT OF MR. NIRAV KALYANBHAI SHAH (DIN: 00397336) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:-

"RESOLVED THAT pursuant to provisions of Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, Mr. Nirav Kalyanbhai Shah (DIN: 00397336) who was appointed as an Additional Director (Non-Executive & Independent Director) of the Company w.e.f. 2nd August, 2024 by the Board of directors and whose term of office expires at this 35th Annual General Meeting and in respect of whom the Company has received a Notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meet the criteria for independence as provided under in Section 149(6) of the Act, along with Rules framed there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby appointed as an Independent Director (Non-Executive) of the Company, to hold office for a term of 5 (Five) consecutive years commencing from 2nd August, 2024 to 1st August, 2029 (both days inclusive) and whose office shall not be subject to retirement by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds and take all necessary steps as may be necessary, proper or expedient to give effect to this resolution."

6. APPOINTMENT OF MR. SAMEER SURENDRANARAYAN SINHA (DIN: 00217107) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:-

"RESOLVED THAT pursuant to provisions of Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Articles of Association of the Company and pursuant to the

recommendation of the Nomination and Remuneration Committee, Mr. Sameer Surendranarayan Sinha (DIN: 00217107) who was appointed as an Additional Director (Non-Executive & Independent Director) of the Company w.e.f. 2nd August, 2024 by the Board of directors and whose term of office expires at this 35th Annual General Meeting and in respect of whom the Company has received a Notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meet the criteria for independence as provided under in Section 149(6) of the Act, along with Rules framed there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby appointed as an Independent Director (Non-Executive) of the Company, to hold office for a term of 5 (Five) consecutive years commencing from 2nd August, 2024 to 1st August, 2029 (both days inclusive) and whose office shall not be subject to retirement by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds and take all necessary steps as may be necessary, proper or expedient to give effect to this resolution."

7. APPOINTMENT OF MR. KEYUR DHANVANTLAL GANDHI (DIN: 02448144) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:-

"RESOLVED THAT pursuant to provisions of Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, Mr. Keyur Dhanvantlal Gandhi (DIN: 02448144) who was appointed as an Additional Director (Non-Executive & Independent Director) of the Company w.e.f. 2nd August, 2024 by the Board of directors and whose term of office expires at this 35th Annual General Meeting and in respect of whom the Company has received a Notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meet the criteria for independence as provided under in Section 149(6) of the Act, along with Rules framed there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby appointed as an Independent Director (Non-Executive) of the Company, to hold office for a term of 5 (Five) consecutive years commencing from 2nd August, 2024 to 1st August, 2029 (both days inclusive) and whose office shall not be subject to retirement by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds and take all necessary steps as may be necessary, proper or expedient to give effect to this resolution."

8. APPOINTMENT OF MR. SACHIN M. JAYKRISHNA (DIN: 10712990) AS DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any of the Companies Act, 2013 ('the Act') and the relevant Rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Articles of Association of the Company, Mr. Sachin M. Jaykrishna (DIN: 10712990), who was appointed as an Additional Director of the Company with effect from August 2, 2024 and who holds office till the date of this 35th Annual General Meeting in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a Notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

9. APPOINTMENT OF MR. SACHIN M. JAYKRISHNA (DIN: 10712990) AS WHOLE TIME DIRECTOR (EXECUTIVE DIRECTOR) OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 (the 'Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the 'Rules') and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Articles of Association of the Company and subject to approval of the Central Government and other approval(s), as may be required, the consent of the Members of the Company be and is hereby accorded for the appointment and terms of remuneration of Mr. Sachin M. Jaykrishna (DIN: 10712990) as Whole Time Director (Executive) of the Company for a period of 3 consecutive years with effect from August 2, 2024 up to August 1, 2027, liable to retire by rotation, as recommended by the Nomination and Remuneration Committee and approved by the Board of directors, upon the terms and conditions set out in the Explanatory Statement (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) including the approval accorded for payment of annual remuneration exceeding the limits to such Executive Director who is promoters or members of the promoters group, if any remain in force and valid till expiry of existing term of such Executive Director, with authority to the Board of Directors (which shall be deemed to include a Committee of the Board) to alter and vary the terms and conditions of the said appointment and remuneration in such manner as may be agreed to between the Board of Directors and Mr. Sachin M. Jaykrishna.

RESOLVED FURTHER THAT Mr. Sachin M. Jaykrishna, Whole Time Director of the Company shall be entitled to receive remuneration including salary and other allowances upto the limits approved by the members by way of this resolution, as minimum remuneration notwithstanding that such remuneration, along with the remuneration to be received by him from the Company's subsidiary(ies)/ associate(s), if any at any point of time exceed the limit specified under Section 197 of the Companies Act, 2013 read with Schedule V thereto and limits mentioned in Regulation 17 of SEBI Listing Regulations in the event of loss or inadequacy of profits during his tenure calculated in accordance with applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT pursuant to the provisions of Section 197 and 198 of the Act read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), subject to approval of the Central Government, if any, the consent of the Members of the Company, be and is hereby accorded for payment of remuneration to Mr. Sachin M. Jaykrishna during his tenures in excess of the limits prescribed under the second proviso to sub-section (1) of Section 197 of the Act and shall exceed the computation of the net profits of the Company, if any for that financial year computed in the manner laid down in Section 198 of the Act except as may be authorised by the Company, subject to the provisions of Schedule V to the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds and things and execute all such document(s), instrument(s), and writing(s) as the Board may in its absolute discretion, consider necessary, expedient or desirable, including power to sub-delegate, in order to give effect to this resolution."

10. RATIFICATION OF REMUNERATION PAYABLE TO COST AUDITORS

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force),

Consent of the members of the Company be and is hereby accorded for M/s. M. I. Prajapati & Associates, Cost Accountants, Ahmedabad (Firm Registration No. 101450), appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year 2024-25, be paid a remuneration of ₹ 45,000/- (Rupees Forty Five Thousand Only) plus taxes as applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit.

RESOLVED FURTHER THAT Mrs. Paru M. Jaykrishna (DIN: 00671721), Chairperson & Managing Director of the Company or Mr. Munjal M. Jaykrishna (DIN: 00671693), Joint Managing Director & CEO of the Company be and are hereby severally authorized to do all such acts, things and deal with all such matters and take steps as may be necessary to give effect to this resolution."

11. PRIVATE PLACEMENT OF NON-CONVERTIBLE DEBENTURES AND/OR OTHER DEBT SECURITIES

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

"RESOLVED THAT pursuant to the provisions of Sections 42 and 71 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 framed there under and all other applicable rules, if any, and other applicable Guidelines and Regulations issued by the Securities and Exchange Board of India, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any other applicable law for the time being in force (including any statutory modification(s) or amendment thereto or re-enactment thereof for the time being in force) and subject to the provisions of the Articles of Association of the Company and such other approvals as may be required from regulatory authorities from time to time, consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) to make offer(s), invitation(s), to subscribe and issue Non-Convertible Debentures ("NCDs"), Bonds, Commercial Papers ("CP") or any other Debt Securities in one or more series/tranches aggregating upto Rs. 300 crores (Rupees Three Hundred Crores Only), whether rupee denominated or denominated in foreign currency, during the period commencing from the date of passing of special resolution till completion of one year thereof or the date of next Annual General Meeting be held in calendar year 2025, whichever is earlier, on such terms and conditions and at such times and at par or at such premium, as the Board may, from time to time determine and consider proper and most beneficial to the Company including as to when the said Non Convertible Debentures and /or Bonds and/or Commercial Papers or other debt securities be issued, the consideration for the issue, utilisation of the issue proceeds and all matters connected with or incidental thereto.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things, and execute all such deeds, documents, instruments and writings, and take all such steps as it may in its sole and absolute discretion deem necessary including for the purpose of determining terms of issue of Non-Convertible Debentures and/or Bonds and/or Commercial Papers and/or other debt securities and to settle all questions, difficulties and doubts that may arise in relation thereto."

For and on behalf of Board of Directors

Place : Ahmedabad
Date : August 02, 2024

PARU M. JAYKRISHNA
Chairperson & Mg. Director
DIN: 00671721

Registered Office:

"Akshar House",
Chhatral-Kadi Road,
Indrad - 382 715,
Mahesana, Gujarat (India)
CIN : L24110GJ1989PLC012441
Phone: +91 2764 233007
Website: www.aksharchemindia.com
Email id: cs@aksharchemindia.com

NOTES

1. Proxy

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company, either in person or through post, duly completed and signed, not later than forty-eight hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. Explanatory Statement

The relevant explanatory statement pursuant to provisions of Section 102 of the Companies Act, 2013 ("the Act") relating to the Special Business to be transacted at the Annual General Meeting ("Meeting") as set out under Item No. 5 to 11 of the Notice, is annexed hereto.

3. Book Closure

Pursuant to the provisions of Section 91 of the Companies Act, 2013, Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, September 24,**

2024 to Monday, September 30, 2024 (both days inclusive).

4. Directors proposed to be re-appointed

At the ensuing Annual General Meeting, Mrs. Paru M. Jaykrishna (DIN: 00671693) and Mr. Gokul M. Jaykrishna (DIN: 00671652), retire by rotation and being eligible, offers themselves for re-appointments. The Board of Directors of the Company recommends the re-appointment. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in annexure to notice of Annual General Meeting.

5. Payment of Dividend

The dividend on equity shares for the financial year 2023-24, if declared by the members, will be paid within thirty days of declaration by members:

- (i) in respect of shares held in physical form, to those members whose names appear in the Register of Members of the Company on **Monday, September 23, 2024.**
- (ii) in respect of shares held in electronic form, to those beneficial owners whose names appear in the statements of beneficial ownership furnished by NSDL and CDSL as at the end of business hours on **Monday, September 23, 2024.**

The members are hereby informed that the Company is required to transfer the dividends, which remain unclaimed for a period of seven years, to the Investor Education and Protection Fund ("IEPF") constituted by the Central Government.

The Company has uploaded the details of unpaid and unclaimed amount lying with the Company as on March 31, 2024, on the website of the Ministry of Corporate Affairs. The following are the details of dividends declared by the Company and respective due dates for transfer of unclaimed dividend to IEPF:

Dividend Year	Date of Declaration of Dividend	Due date of transfer to IEPF
2017-18 – Final	28/09/2018	26/10/2025
2018-19 – Final	30/09/2019	28/10/2026
2019-20 – Interim	11/03/2020	08/04/2027
2020-21 – Final	28/09/2021	26/10/2028
2021-22 – Final	28/09/2022	26/10/2029
2022-23 – Final	27/09/2023	25/10/2030

The members are advised to send their requests for payment of unpaid dividend pertaining to the financial years 2017-18 to 2022-23 to our Registrar and Share Transfer Agent for payment before the same becoming due for transfer to IEPF.

6. TDS on Dividend

Pursuant to the changes introduced by the Finance Act 2020, w.e.f. 1st April 2020, the Company would be required to deduct tax at source (TDS) at the prescribed rates on the dividend paid to its shareholders. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. Accordingly, the above referred Final Dividend will be paid after deducting the TDS. The documents such as Form 15G/ Form 15H / Form 10F, documents under sections 196, 197A of the Act, FPI Registration Certificate, Tax Residency Certificate, Lower Tax Certificate etc. can be uploaded on the link <https://iiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> or through e mail on cs@aksharchemindia.com on or before Thursday, September 19, 2024 to enable the Company to determine the appropriate TDS / withholding tax rate applicable.

7. Transfer of Shares to demat account of IEPF Authority

The members may kindly note that pursuant to the provisions of Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ("IEPF Rules"), all shares in respect of which dividend has remained unclaimed/unpaid for seven consecutive years or more shall be transferred by the Company to the demat account of Investor Education and Protection Fund Authority ("IEPF Authority").

8. Dispatch of documents through electronic mode / Registration of E-mail addresses

In pursuance of the provisions of the Companies Act, 2013 and the Rules made there under, the Company proposes to send documents like notice of general meeting, Annual Report, etc. to the shareholders through electronic mode. The members who have not registered their e-mail address so far, are requested to register their email address (or change therein, if

any) with their Depository Participant (where the shares are held in dematerialized form) or our Registrar and Share Transfer Agent (where the shares are held in physical form) by submitting the requisite form.

9. SWAYAM – Self-Service Portal for Investors

'SWAYAM' is a secure, user-friendly web-based application, developed by "Link Intime India Pvt Ltd.", our Registrar and Share Transfer Agents, that empowers shareholders to effortlessly access various services. We request shareholders to get registered and have first-hand experience of the portal. This application can be accessed at <https://swayam.linkintime.co.in>. It is effective Resolution of Service Request - Generate and Track Service Requests/Complaints through SWAYAM, Track Corporate Actions like Dividend/Interest/Bonus/split, provides access to PAN linked accounts, Company wise holdings and security valuations, Effortlessly Raise request for Unpaid Amounts, Two-factor authentication (2FA) at Login - Enhances security for investors.

10. Voting through electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide the facility to members to exercise their right to vote by electronic means (e-voting) and the business may be transacted through e-Voting Services.

The Members desiring to vote through electronic mode may refer to the detailed procedure on remote e-voting given hereinafter.

Voting Options

10.1 The Company has engaged National Securities Depository Limited ("NSDL") to provide the facility of casting the votes by the members using an electronic voting system from a place other than the venue of Annual General Meeting ("Remote E-voting").

10.2 The facility for voting through ballot paper shall also be made available at the Annual General Meeting and the members attending the Annual General Meeting who have not cast their vote by Remote E-voting shall be able to exercise their right at Annual General Meeting.

10.3 The members who have cast their vote by Remote E-voting prior to Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again at Annual General Meeting.

10.4 The remote e-voting period commences on Thursday, September 26, 2024 (09:00 am) and ends on Sunday, September 29, 2024 (05:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, September 23, 2024, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

10.5 The instructions for remote e-voting are as under:

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholder	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center; margin-top: 20px;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login

	<p>& New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdsindia.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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

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

Helpdesk for Individual Shareholders holding securities in demat mode:

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
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nssl.com or call at 022 - 4886 7000</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33</p>

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nssl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nssl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was

communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- c. How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is

communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

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

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

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

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

10.6 General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to makwanabipin577@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney /

Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on : 022 - 4886 7000 or send a request to Pallavi Mhatre at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@aksharchemindia.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@aksharchemindia.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- 10.8 A person who becomes a member of the Company after dispatch of notice of Annual General Meeting and holding shares as on the cut-off date i.e. Monday, September 23, 2024, may obtain the User ID and password by sending a request at evoting@nsdl.com or cs@aksharchemindia.com or call on toll free no. 1800-222-990.
- 10.9 The Board of Directors of the Company has appointed Mr. Bipin L. Makwana, Practicing Company Secretary (Membership No. A15650) to scrutinise the voting at Annual General Meeting and Remote E-voting process in a fair and transparent manner.
- 10.10 The Chairperson shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- 10.11 The scrutinizer shall, immediately after the conclusion of

- voting at the Annual General Meeting, first count the votes cast at the Annual General Meeting and thereafter unblock the votes cast through Remote E-voting in the presence of at least two witnesses not in the employment of the Company.
- 10.12 The Scrutinizer shall make, not later than 48 Hours of conclusion of the Annual General Meeting, a consolidated scrutinizer's report and submit the same to the Chairperson of Annual General Meeting or any other person authorized by Chairperson in writing who shall countersign the same and declare the results of the voting forthwith. The results declared along with scrutinizer's report shall be placed on the Company's website www.aksharchemindia.com and on the website of NSDL immediately after the results are declared. The results shall also be immediately forwarded to the BSE Limited (BSE), Mumbai and National Stock Exchange of India Ltd (NSE), Mumbai.
11. Corporate members, intending to depute their authorised representatives to attend the meeting pursuant to Section 113 of the Act, are requested to send to the Company a duly certified true copy of the Board Resolution / Power of Attorney authorizing their representatives to attend and vote on their behalf at the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
12. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. In terms of the amendments to the Listing Regulations, requests for effecting transfer or transmission or transposition of securities in physical form shall not be processed unless the securities are held in dematerialized form with the depository, i.e. NSDL or CDSL. Therefore, Members who hold physical securities are requested to demat their physical holding.
14. Attendance slip and proxy form are annexed hereto.
15. Members can send their queries, if any, to reach the Company's Registered Office at least 10 days before the date of Annual General Meeting so that information can be made available at Annual General Meeting. The members are requested to bring their attendance slip at the meeting.
16. All documents referred to in the notice and the explanatory statement requiring the approval of the members at the Annual General Meeting and other statutory registers shall be available for inspection by the members at the Registered Office of the Company during office hours on all working days between 11.00 a.m. to 1.00 p.m. from the date hereof up to the date of ensuing Annual General Meeting.
17. Members may also note that the Notice of the thirty fifth Annual General Meeting and the Annual Report for 2023-24 will also be available on the Company's website www.aksharchemindia.com for their download. The physical copies of the aforesaid documents will also be available at the Registered Office of the Company during office hours on all working days between 11.00 a.m. to 1.00 p.m., except Sundays and holidays.
18. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to Link Intime India Private Limited. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.
19. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).
20. A route map showing directions to reach the venue of the 35th Annual General Meeting is given along with this Annual Report as per the requirement of the Secretarial Standards - 2 on General Meetings.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

As required under section 102 (1) of the Companies Act, 2013, the following Statement set out all the material facts relating to the Special Business mentioned in the accompanying Notice.

Item No. 5

The Board of Directors, upon recommendation of Nomination and Remuneration Committee, appointed Mr. Nirav Kalyanbhai Shah (DIN: 00397336) as an Additional Director of the Company in the category of Independent Director (Non-Executive) for a term of 5 years with effect from 2nd August, 2024 to 1st August, 2029 (both days inclusive), subject to approval of the Members of the Company.

Mr. Nirav Shah is qualified to be appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has also received a declaration from Mr. Nirav Shah that he meets the criteria of independence as prescribed, both, under Section 149(6) of the Act and the SEBI (Listing Obligations and

Disclosure Requirements) Regulations 2015 ('Listing Regulations') and that he is not debarred from holding the office of director by virtue of any order passed by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. He has also confirmed about the compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014 before his appointment, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. The Company has also received notice from a Member in writing under section 160 of the Act proposing his candidature as an Independent Director of the Company.

The additional information as per Regulation 36 of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings issued by Institute of Company Secretaries of India (ICSI), are provided hereunder:

Name	Mr. Nirav Kalyanbhai Shah
DIN	00397336
Date of Birth	15-06-1973
Age	51 Years
Date of appointment/ re-appointment	2nd August, 2024 (Initial Date of Appointment)
Qualifications	Bachelor's degree in Commerce and has done his Post-Graduate Credit Course in International Business Strategy and Corporate Finance from London School of Economics.
Brief Profile and Expertise in specific functional areas	<p>Entrepreneur, Leadership, Experience in expansion and management of business, Expertise in International Business Strategies and Corporate Finance.</p> <p>Mr. Nirav Shah is a Managing Director of Jayatma Technologies Private Limited and CEO of Jayatma Industries Limited. He is third generation entrepreneur and has Management Experience of 25+ years. He extensively contributes to society. He is the managing Trustee of Gujarat e-Sports Association. He is an active member of YPO Gujarat Chapter, South Asia (Young Presidents Organisation) and has held leadership positions in the Chapter and Championed regional as well as international events. He is Independent Board Member of Arvind Smartspaces Ltd. and Freewill Sports Pvt. Ltd. (NIVIA). He has been board member for the Uttar Gujarat Vij Company Limited-Electricity distribution arm of Government of Gujarat for northern region of the state from 2019-2023. He has also been part of Vibrant Gujarat Global Summit Business delegations to Europe, Asia, Middle East, USA and Scandinavia since 2009. He was the member of the Delegation lead by Hon. Chief Minister of Gujarat, Shri Narendra Modi, to China in November 2011. He has been an invitee member of the CII Gujarat Council. He was the Chairman of the Confederation of Indian Industry – Gujarat IT Task Force (2010 - 2012). He was the President of Gujarat Electronics and Software Industries Association for two consecutive years (2008-2010). He has also been the Co-Chair of the Industry Committee as well as the IT Committee of the Gujarat Chamber of Commerce and Industry for the year 2001-2002. He has been nominated as a member for the selection of the Vice Chancellor for the Ambedkar Open University.</p>
Relationship between directors inter se	None
Terms and conditions of appointment/ re-appointment	As per details provided in the Resolution and Explanatory Statement
Details of remunerations last drawn (FY 2023-24)	Not applicable
Details of remuneration sought to be paid	None
Number of Board meetings attended during the year	Not applicable, as this is his first appointment on the Board

No. of shares held in the Company including as a beneficial owner	Own - 0: On beneficial basis - 0
Name of the listed entities in which the person also holds the Directorship (excluding the Company)	1. Jayatma Enterprises Limited 2. Jayatma Industries Limited 3. Arvind Smartspaces Limited
Membership of Committees (Audit and Stakeholders Relationship Committee in other listed entities)	Audit Committee (Member): 1. Jayatma Enterprise Limited, 2. Jayatma Industries Limited, 3. Arvind Smartspaces Limited Stakeholders Relationship Committee (Member): 1. Jayatma Enterprise Limited, 2. Jayatma Industries Limited
Names of the listed entities from which the person has resigned in the past three years	None
In case of, independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	The core skills/ expertise/ competencies as required in the case of an independent director are well defined by the Nomination and Remuneration Committee (NRC) of the Board in the context of its business and sector. Mr. Nirav Kalyanbhai Shah has distinguished track records and abilities. His experience being the Director in other companies including that of listed entities can bring immense value addition to our Company. Considering his educational background and rich experience, the NRC and the Board is of the view that Mr. Shah possesses relevant skills and capabilities required on the Board as an Independent director and that his continued association would be beneficial to the Company

In the opinion of the Board, Mr. Nirav Shah fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and Listing Regulations for his appointment as an Independent Director of the Company and is independent of the management. The Company will benefit from his valuable experience, knowledge and counsel.

Mr. Shah, if appointed, will not be liable to retire by rotation. The terms and conditions of reappointment of Mr. Shah as an independent director would be made available for inspection to the members upon sending a request along with their DP/Client ID or Folio No. from their registered email address to the Company on cs@aksharchemindia.com.

None of the director(s) and key managerial personnel of the Company or their respective relatives, except Mr. Nirav Kalyanbhai Shah, to whom the Resolution relates, are concerned or interested, financially or otherwise in the Resolution mentioned in the Notice.

The Board recommends the Resolution set forth in the Notice for the approval of the members by way of Special Resolution.

Item No. 6

The Board of Directors, upon recommendation of Nomination and Remuneration Committee, appointed Mr. Sameer Surendranarayan Sinha (DIN: 00217107) as an Additional Director of the Company in the category of Independent Director (Non-Executive) for a term of 5

years with effect from 2nd August, 2024 to 1st August, 2029 (both days inclusive), subject to approval of the Members of the Company.

Mr. Sameer Sinha is qualified to be appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has also received a declaration from Mr. Sameer Sinha that he meets the criteria of independence as prescribed, both, under Section 149(6) of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations') and that he is not debarred from holding the office of director by virtue of any order passed by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. He has also confirmed about the compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014 before his appointment, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. The Company has also received notice from a Member in writing under section 160 of the Act proposing his candidature as an Independent Director of the Company.

The additional information as per Regulation 36 of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings issued by Institute of Company Secretaries of India (ICSI), are provided hereunder:

Name	Mr. Sameer Surendranarayan Sinha
DIN	00217107
Date of Birth	20-10-1967
Age	56 Years
Date of appointment/ re-appointment	2nd August, 2024 (Initial Date of Appointment)
Qualifications	M.S. in Civil Engineering, specialization in Construction Engineering & Management in Dec.1991 from Purdue University, U.S.A (School of Engineering & Krannert School Of Management) B. S. in Civil Engineering, concentration in geo-technology and foundation engineering in June 1990 from Gujarat University, Ahmedabad, India (L.D. College of Engineering)
Brief Profile and Expertise in specific functional areas	He is Founder and Managing Director, Savvy Group, Ahmedabad. He began his professional career in Chicago working on multi-million dollar infrastructure projects between 1992 and 1996. He

	<p>returned to India in January 1996 to establish Savvy Infrastructures along with two college classmates. Since 1996, Savvy has established a formidable reputation in the real estate arena in Gujarat. He is extremely passionate about Sustainability and Technology. Under his leadership Savvy is today the leader in Green building development in Gujarat. Sustainable and holistic development has become the hallmark of all activities across the Group. Their passions include sustainable design and engineering, water conservation, cradle to cradle approach, organic farming, urban forestry. He founded Savvy Greens, a sustainability consulting company as part of the Savvy Group. Savvy Greens is today the leading green consultant in Gujarat specializing in Green Building Certification, SDG reports, ESG and GHG studies, Waste Management, LCA Analysis, Water and Energy Audit.</p> <p>Amongst others, he also holds various positions such as Chairman of CII, Indian Green Building Council, Ahmedabad and Member of National Executive Council, IGBC and Council Member of CII, Gujarat and Council Member of Indian Golf Union and Founding Member of Singularity University Ahmedabad Chapter and Member of Industry Advisory Board, L D College Of Engineering (AICTE) and Governing Council Member (FADP) of Ganpat University and Trustee of MGP Sarvodaya Kendra & Gaushala.</p>
Relationship between directors inter se	None
Terms and conditions of appointment/ re-appointment	As per details provided in the Resolution and Explanatory Statement
Details of remunerations last drawn (FY 2023-24)	Not applicable
Details of remuneration sought to be paid	None
Number of Board meetings attended during the year	Not applicable, as this is his first appointment on the Board
No. of shares held in the Company including as a beneficial owner	Own - 50 On beneficial basis - 0
Name of the listed entities in which the person also holds the Directorship (excluding the Company)	None
Membership of Committees (Audit and Stakeholders Relationship Committee in other listed entities)	None
Names of the listed entities from which the person has resigned in the past three years	None
In case of, independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	The core skills/ expertise/ competencies as required in the case of an independent director are well defined by the Nomination and Remuneration Committee (NRC) of the Board in the context of its business and sector. Mr. Sameer Sinha has distinguished track records and abilities. His experience being the Director in other companies including that of listed entities can bring immense value addition to our Company. Considering his educational background and rich experience, the NRC and the Board is of the view that Mr. Sameer Sinha possesses relevant skills and capabilities required on the Board as an Independent director and that his continued association would be beneficial to the Company.

In the opinion of the Board, Mr. Sameer Sinha fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and Listing Regulations for his appointment as an Independent Director of the Company and is independent of the management. The Company will benefit from his valuable experience, knowledge and counsel.

Mr. Sameer Sinha, if appointed, will not be liable to retire by rotation. The terms and conditions of reappointment of Mr. Sameer Sinha as an independent director would be made available for inspection to the members upon sending a request along with their DP/Client ID or Folio No. from their registered email address to the Company on cs@aksharchemindia.com.

None of the director(s) and key managerial personnel of the Company or their respective relatives, except Mr. Sameer Sinha, to whom the Resolution relates, are concerned or interested, financially or otherwise in the Resolution mentioned in the Notice.

The Board recommends the Resolution set forth in the Notice for the approval of the members by way of Special Resolution.

Item No. 7

The Board of Directors, upon recommendation of Nomination and Remuneration Committee, appointed Mr. Keyur Dhanvantlal Gandhi (DIN: 02448144) as an Additional Director of the Company in the category of Independent Director (Non-Executive) for a term of 5 years with effect from 2nd August, 2024 to 1st August, 2029 (both days inclusive), subject to approval of the Members of the Company.

Mr. Keyur Gandhi is qualified to be appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has also received a declaration from Mr. Keyur Gandhi that he meets the criteria of independence as prescribed, both, under Section 149(6) of the Act and the SEBI (Listing Obligations and

Disclosure Requirements) Regulations 2015 ('Listing Regulations') and that he is not debarred from holding the office of director by virtue of any order passed by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. He has also confirmed about the compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014 before his appointment, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of

Corporate Affairs. The Company has also received notice from a Member in writing under section 160 of the Act proposing his candidature as an Independent Director of the Company.

The additional information as per Regulation 36 of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings issued by Institute of Company Secretaries of India (ICSI), are provided hereunder:

Name	Mr. Keyur Dhanvantlal Gandhi
DIN	02448144
Date of Birth	25-01-1967
Age	57 Years
Date of appointment/ re-appointment	2nd August, 2024 (Initial Date of Appointment)
Qualifications	B.Com., LLB
Brief Profile and Expertise in specific functional areas	He has been practicing as an Advocate for the past 32 years in various courts and tribunals of Gujarat and before the Supreme Court, amongst other courts in India. His areas of practice included dispute resolution litigation, industrial disputes, commercial disputes, real estate disputes and advisory, and corporate advisory, amongst others. Earlier he was the practicing lawyer associated with Mr. K. S. Nanavati, Senior Advocate. Then, he became the Senior Partner at M/s. Nanavati Associates, a Law Firm, and subsequently he was the Senior Partner at M/s. K. Nanavati and Gandhi Associates, a Law Firm, focused on real estate advisory and legal drafting. In February 2022, he started his own law firm namely M/s. Gandhi Law Associates, which is full-service law firm based out of Ahmedabad (Gujarat) and has a branch in Surat. He has been involved in some of the most high-profile and contentious litigations on various areas of law, including civil & corporate laws, insolvency laws, debt recovery laws, electricity laws, corporate laws, arbitration, labour & industrial laws, real estate, and criminal laws. He is also an active Partner of M/s. D.C. Gandhi Associates, a Law Firm, which focuses on industrial dispute litigations in tribunals and courts across Gujarat.
Relationship between directors inter se	None
Terms and conditions of appointment/ re-appointment	As per details provided in the Resolution and Explanatory Statement
Details of remunerations last drawn (FY 2023-24)	Not applicable
Details of remuneration sought to be paid	None
Number of Board meetings attended during the year	Not applicable, as this is his first appointment on the Board
No. of shares held in the Company including as a beneficial owner	Own - 0 On beneficial basis - 0
Name of the listed entities in which the person also holds the Directorship (excluding the Company)	The Sandesh Limited
Membership of Committees (Audit and Stakeholders Relationship Committee in other listed entities)	Audit Committee: None Stakeholders Relationship Committee (Chairman): The Sandesh Limited
Names of the listed entities from which the person has resigned in the past three years	None
In case of, independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	The core skills/ expertise/ competencies as required in the case of an independent director are well defined by the Nomination and Remuneration Committee (NRC) of the Board in the context of its business and sector. Mr. Keyur Dhanvantlal Gandhi has distinguished track records and abilities. His experience being the Director in other companies including that of listed entities can bring immense value addition to our Company. Considering his educational background and rich experience, the NRC and the Board is of the view that Mr. Keyur Dhanvantlal Gandhi possesses relevant skills and capabilities required on the Board as an Independent director and that his continued association would be beneficial to the Company.

In the opinion of the Board, Mr. Keyur Gandhi fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and Listing Regulations for his appointment as an Independent Director of the Company and is independent of the management. The Company will benefit from his valuable experience, knowledge and counsel.

Mr. Keyur Gandhi, if appointed, will not be liable to retire by rotation. The terms and conditions of reappointment of Mr. Keyur Gandhi as an independent director would be made available for inspection to the members upon sending a request along with their DP/Client ID or Folio No. from their registered email address to the Company on cs@aksharchemindia.com.

None of the director(s) and key managerial personnel of the Company or their respective relatives, except Mr. Keyur Gandhi, to whom the Resolution relates, are concerned or interested, financially or otherwise in the Resolution mentioned in the Notice.

The Board recommends the Resolution set forth in the Notice for the approval of the members by way of Special Resolution.

Item No. 8

The Board of directors of your company, based on the

recommendation of Nomination and Remuneration Committee (NRC), has appointed Mr. Sachin M. Jaykrishna (DIN: 10712990) as an Additional Director pursuant to Section 149 and 152 read with other relevant provisions of the Companies Act, 2013 effective from August 2, 2024. In accordance with the provisions of Section 161 of the Companies Act, 2013 Mr. Sachin M. Jaykrishna shall hold office up to the date of the 35th Annual General Meeting. The Company has received a Notice from a Member in writing under Section 160 of the Companies Act, 2013, proposing his candidature for the office of the Director along with the requisite fees, to be appointed as such under Section 149 of the Companies Act, 2013.

The Company has received requisite disclosure/ declarations pursuant to the Companies Act and SEBI Listing Regulations from Mr. Sachin Jaykrishna. Mr. Sachin Jaykrishna has confirmed that he has not been debarred from holding office of a director by virtue of any Order passed by SEBI or any other such authority.

The additional information as per Regulation 36 of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings issued by Institute of Company Secretaries of India (ICSI), are provided hereunder:

Name	Mr. Sachin Munjal Jaykrishna
DIN	10712990
Date of Birth	20-03-1998
Age	26 Years
Date of appointment/ re-appointment	2nd August, 2024 (Initial Date of Appointment)
Qualifications	Bachelor of Arts in International Relations from the prestigious Lehigh University, Bethlehem, Pennsylvania
Brief Profile and Expertise in specific functional areas	"Being a young entrepreneur takes the courage to discover ones vision, take action and back yourself", this is well defined in itself by, Mr. Sachin Jaykrishna, 26, who holds a Bachelor of Arts in International Relations from the renowned Lehigh University in Bethlehem, Pennsylvania. He currently serves as the President of the Silica Dahej Unit Brand Name AKSIL, at AksharChem (India) Limited. Mr Jaykrishna brings a wealth of expertise in entrepreneurship, international relations, strategic planning, and corporate finance to his role. Under his leadership and practical overview, the Precipitated Silica Unit of the company has achieved significant success, benefiting from his extensive knowledge and experience in these domains.
Relationship between directors inter se	He is son of Mr. Munjal M. Jaykrishna, Joint Managing Director & CEO and grandson of Mrs. Paru M. Jaykrishna, Chairperson & Managing Director and nephew of Mr. Gokul M. Jaykrishna, Non-Executive Non-Independent Director of the Company
Terms and conditions of appointment/ re-appointment	As per details provided in the Resolution and Explanatory Statement
Details of remunerations last drawn (FY 2023-24)	Rs. 32.50 lakhs as President Silica Dahej Unit
Details of remuneration sought to be paid	As per details provided in the Resolution and Explanatory Statement
Number of Board meetings attended during the year	Not applicable, as this is his first appointment on the Board
No. of shares held in the Company including as a beneficial owner	0
Name of the listed entities in which the person also holds the Directorship (excluding the Company)	None
Membership of Committees (Audit and Stakeholders Relationship Committee in other listed entities)	None
Names of the listed entities from which the person has resigned in the past three years	None
In case of, independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable

The Board commends the Ordinary Resolution set forth in the Notice in relation to appointment of Mr. Sachin M. Jaykrishna as Director of the Company for approval of the Members pursuant to the provisions of Companies Act, 2013 and SEBI Listing Regulations.

Except Mr. Sachin M. Jaykrishna and his relatives Mr. Munjal M. Jaykrishna, Mrs. Paru M. Jaykrishna and Mr. Gokul M. Jaykrishna, none of the other director(s) and key managerial personnel(s) of the Company and their respective relatives, are concerned or interested, financially or otherwise in the Resolution set forth in the Notice.

The Board recommends above the resolution for the approval of the members as an Ordinary Resolution.

Item No. 9

The Board of directors of your company, based on the recommendation of Nomination and Remuneration Committee (NRC), has appointed Mr. Sachin M. Jaykrishna (DIN: 10712990) as an Additional Director (Whole Time Director, Executive) pursuant to Section 149 and 152 read with other relevant provisions of the Companies Act, 2013 effective from August 2, 2024 for a period 3 (Three) Years), subject to approval of the members at the ensuing Annual General Meeting with other requisite approvals, if any. In accordance with the provisions of Section 161 of the Companies Act, 2013 Mr. Sachin M. Jaykrishna shall hold office up to the date of the 35th Annual General Meeting. The Company has received a Notice from a Member in writing under Section 160 of the Companies Act,

2013, proposing his candidature for the office of the Director along with the requisite fees, to be appointed as such under Section 149 of the Companies Act, 2013.

Accordingly, it is proposed to appoint Mr. Sachin M. Jaykrishna (DIN: 10712990) as Whole Time Director (Executive Director) for a term of 3 (Three) consecutive years with effect from August 2, 2024 upto August 1, 2027 pursuant to the provisions of the Companies Act, 2013 and the Rules made there under. He will be liable to retire by rotation.

Mr. Sachin M. Jaykrishna, 26, a Bachelor of Arts in International Relations from the renowned Lehigh University, Bethlehem, Pennsylvania. He currently serves as the President of the Silica Dahej Unit Brand Name AKSIL, at Aksharchem (India) Limited. Mr. Jaykrishna brings a wealth of expertise in entrepreneurship, international relations, strategic planning, and corporate finance to his role. Under his leadership and practical overview, the Precipitated Silica Unit of the company has achieved significant success, benefiting from his extensive knowledge and experience in these domains.

The Company has received requisite disclosure/ declarations pursuant to the Companies Act and SEBI Listing Regulations from Mr. Sachin Jaykrishna. Mr. Sachin Jaykrishna has confirmed that he has not been debarred from holding office of a director by virtue of any Order passed by SEBI or any other such authority.

Brief term and conditions of appointment of Mr. Sachin M. Jaykrishna, are as hereunder:

1. Remuneration		
A.	Basic Salary	Rs. 168,750/- per month with effect from August 2, 2024 with such revisions as approved by the Board of Directors and/or Nomination and Remuneration Committee from time to time.
B.	Commission	In addition to the salary, perquisites and allowances payable, a commission, as may be decided by the Board of Directors at the end of each financial year calculated with reference to the net profits of the Company. Commission should not exceed 2% of the Company's Net Profit for each Financial Year subject to the overall ceiling stipulated in Section 196 and 197 read with Schedule V of the Companies Act, 2013.

2. Perquisites:

In addition to the salary and commission as outlined above, the Whole Time Director shall be entitled to perquisites/allowances as under:

Category "A"		
a.	Housing	<p>i) The expenditure incurred by the Company on hiring furnished accommodation for the Whole Time Director, subject to a ceiling of 60% of the salary, over and above 10% payable by the Whole Time Director.</p> <p>ii) In case the accommodation is owned by the Company, 10% of the salary of Whole Time Director shall be deducted by the Company.</p> <p>iii) In case no accommodation is provided by the Company, Whole Time Director shall be entitled to House Rent Allowance not exceeding 60% of his Salary.</p>
Explanation: The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income-tax Rules, 1962, subject to a ceiling of 10% of salary.		
b.	Medical Reimbursement	The Company shall reimburse expenses incurred for the Whole Time Director for himself and his family subject to a ceiling of one-month salary in a year or three months salary over a period of three years.
c.	Leave Travel Concession	For the Whole Time Director and his family once in a year incurred in accordance with the rules of the Company.
d.	Insurance	Insurance policy to cover personal effects, personal accident and medical expenses.
e.	Club Fees	Fees of clubs subject to maximum five clubs. This will include admission or entrance fees and monthly and annual subscriptions.
f.	Entertainment Expenses	The Company shall reimburse entertainment expense actually incurred in the course of business of the Company subject to such annual limits as may be fixed by the Board of Directors of the Company.

Explanation: For the purposes of Category "A" family means the spouse, the dependent children and dependent parents of the Whole Time Director.	
Category "B"	Contribution to Provident Fund and Superannuation fund will not be included in the computation of the ceiling on remuneration to the extent they are, either singly or put together not taxable under the Income-tax Act, 1961. Gratuity not exceeding half month salary for each completed year of service. Gratuity and encashment of leave shall not be included in the computation of the ceiling on the remuneration.
Category "C"	The Company shall provide a car with driver and telephone at residence. Provision of Car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Whole Time Director.

3. Overall Remuneration:

The aggregate of salary, perquisites, allowances and commission in any one financial year shall exceed the limits prescribed under Section 196, 197 and other applicable provisions read with Schedule V of the Companies Act, 2013 or any statutory modifications or re-enactments thereof.
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4. Minimum Remuneration:

In the event of absence or inadequacy of profits in any financial year during the currency of tenure of the Whole Time Director, the payment of salary, allowances, perquisites and all other payments shall be governed by the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013.
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The additional information as per Regulation 36 of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings issued by Institute of Company Secretaries of India (ICSI), are provided hereunder:

Name	Mr. Sachin Munjal Jaykrishna
DIN	10712990
Date of Birth	20-03-1998
Age	26 Years
Date of appointment/ re-appointment	2nd August, 2024 (Initial Date of Appointment)
Qualifications	Bachelor of Arts in International Relations from the prestigious Lehigh University, Bethlehem, Pennsylvania
Brief Profile and Expertise in specific functional areas	"Being a young entrepreneur takes the courage to discover ones vision, take action and back yourself", this is well defined in itself by, Mr. Sachin Jaykrishna, 26, who holds a Bachelor of Arts in International Relations from the renowned Lehigh University in Bethlehem, Pennsylvania. He currently serves as the President of the Silica Dahej Unit Brand Name AKSIL, at AksharChem (India) Limited. Mr Jaykrishna brings a wealth of expertise in entrepreneurship, international relations, strategic planning, and corporate finance to his role. Under his leadership and practical overview, the Precipitated Silica Unit of the company has achieved significant success, benefiting from his extensive knowledge and experience in these domains.
Relationship between directors inter se	He is son of Mr. Munjal M. Jaykrishna, Joint Managing Director & CEO and grandson of Mrs. Paru M. Jaykrishna, Chairperson & Managing Director and nephew of Mr. Gokul M. Jaykrishna, Non-Executive Non-Independent Director of the Company
Terms and conditions of appointment/ re-appointment	As per details provided in the Resolution and Explanatory Statement
Details of remunerations last drawn (FY 2023-24)	Rs. 32.50 lakhs as President Silica Dahej Unit
Details of remuneration sought to be paid	As per details provided in the Resolution and Explanatory Statement
Number of Board meetings attended during the year	Not applicable, as this is his first appointment on the Board
No. of shares held in the Company including as a beneficial owner	0
Name of the listed entities in which the person also holds the Directorship (excluding the Company)	None
Membership of Committees (Audit and Stakeholders Relationship Committee in other listed entities)	None
Names of the listed entities from which the person has resigned in the past three years	None
In case of, independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable

The additional detailed information as per Section-II of Schedule-V of the Companies Act, 2013 are as follows:

i. General Information:

a)	Nature of Industry	The Company is engaged in the business of manufacturing of Dyes, Pigments and Precipitated Silica.
b)	Date or expected date of commencement of commercial production	The Company is in the business of manufacturing of Dyes and Pigments since 1989 and Precipitated Silica since 2021.
c)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable
d)	Financial performance based on given indicators.	During the financial year 2023-24, a total income of the Company was Rs. 30249.57 lakhs and Profit/(Loss) Before Tax (PBT) was Rs. (1556.19) lakhs on standalone basis
e)	Foreign investments or collaborators, if any	The Company has not made any foreign investments and neither entered into any foreign collaborations.

ii. Information about the Appointee:

a.	Background details	Mr. Sachin Jaykrishna, 26, who holds a Bachelor of Arts in International Relations from the renowned Lehigh University in Bethlehem, Pennsylvania. Mr. Jaykrishna brings a wealth of expertise in entrepreneurship, international relations, strategic planning, and corporate finance to his role. Under his leadership and practical overview, the Precipitated Silica Unit of the company has achieved significant success, benefiting from his extensive knowledge and experience in these domains.
b.	Qualifications	Bachelor of Arts in International Relations from the renowned Lehigh University, Bethlehem, Pennsylvania
c.	Past remuneration	Rs. 32.50 lakhs as President Silica Dahej Unit
d.	Recognition or awards	Not Applicable
e.	Job profile and his suitability	He currently serves as the President of the Silica Dahej Unit Brand Name AKSIL, at Aksharchem (India) Limited and proposed to appoint him as Whole Time Director, Executive of the Company. He devotes whole time attention to the management of the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company.
f.	Remuneration proposed	The details of the proposed remuneration are mentioned in Explanatory Statement as required under Section 102 of the Companies Act, 2013.
g.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses.
h.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Nil

iii. Other Information:

a)	Reasons of loss or inadequate profits	Inadequate Profits is primarily due to the following factors : 1) Financial year 2023-24 was marked by accumulated consumer demand, persistent supply interruptions and significant increases in commodity prices. 2) The business was particularly affected by consumers destocking in response to the uncertain economic environment in European market, leading to decrease demand and lower realisations.
b)	Steps taken or proposed to be taken for improvement	The Company is confident that the situation will gradually improve and is well-poised to capitalize on upcoming opportunities through its operational excellence, maximized efficiency, expansion and elevated performance across the installed capacity.
c)	Expected increase in productivity and profits in measurable terms	The management has taken concrete steps to improve overall business growth and profitability. However, the actual outcome shall depend upon the prevailing global and local economic and geo political situation.

The Board commends the Special Resolution set forth in the Notice in relation to appointment of Mr. Sachin M. Jaykrishna as Whole Time Director, Executive for a period of three years with effect from August 2, 2024 for approval of the Members pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V of the Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Sachin M. Jaykrishna under Section 190 of the Companies Act, 2013.

Except Mr. Sachin M. Jaykrishna and his relatives Mr. Munjal M. Jaykrishna, Mrs. Paru M. Jaykrishna and Mr. Gokul M. Jaykrishna, none of the other director(s) and key managerial personnel(s) of the Company and their respective relatives, are concerned or interested, financially or otherwise in the Resolution set forth in the Notice.

The Board recommends above the resolution for the approval of the members as Special Resolution.

Item No. 10

The Board of Directors of the Company, on the recommendation of the Audit Committee, appointed M/s. M. I. Prajapati & Associates, Cost Accountants, Ahmedabad (Firm Registration No. 101450), as Cost Auditors for the financial year 2024-25. As per Section 148 of Companies Act, 2013 and applicable rules there under, the remuneration payable to the cost auditors is to be ratified by the members of the Company. The Board considers the remuneration payable to the cost auditors as fair and recommends the resolution contained in the notice for approval of the members. The Board recommends the resolution for your approval as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 10.

The Board of Directors recommends the passing of the Ordinary Resolution set out at item no. 10 for approval of the members.

Item No. 11

In order to augment resources inter alia, for financing capital expenditure and/or for general corporate purposes, the Company may offer or invite subscription for secured and/or unsecured, bonds, Commercial Paper ("CP") or any other Debt securities in one or more series / tranches on private placement basis.

Pursuant to the provision of Section 42 and any other applicable provisions of the Companies Act, 2013 read with Rule 14 of the

Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe securities has been previously approved by the members of the Company by a Special Resolution for each offer or invitation. Further, the sub rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement, the Company shall obtain previous approval of the members by means of special resolution only once in a year for all the offers or invitations for such debentures during the year.

Accordingly, consent of the members is sought for passing a Special Resolution as set out under this item no. 11 of the Notice. This resolution enables the Board of Directors of the Company/its duly authorised Committee to offer or invite subscription for debt securities, including but not limited to non-convertible debentures, commercial paper, bonds, etc., whether in rupee denominated or denominated in foreign currency, in one or more series or tranches aggregating up to Rs. 300 crores (Rupees Three Hundred Crores Only), as deemed fit, from time to time, during the period commencing from the date of passing of special resolution till completion of one year thereof or the date of next Annual General Meeting to be held in calendar year 2025, whichever is earlier within a period of one year within the overall Borrowing limits of the Company, as approved by the Members from time to time.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 11.

The Board of Directors recommends the passing of the Special Resolution set out at item no. 11 for approval of the members.

For and on behalf of Board of Directors

Place : Ahmedabad
Date : August 02, 2024

PARU M. JAYKRISHNA
Chairperson & Mg. Director
DIN: 00671721

Registered Office:

"Akshar House",
Chhatral-Kadi Road,
Indrad – 382 715,
Mahesana, Gujarat (India)
CIN : L24110GJ1989PLC012441
Phone: +91 2764 233007
Website: www.aksharchemindia.com
Email id: cs@aksharchemindia.com

DISCLOSURE RELATING TO DIRECTORS PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS (SS-2)

	Re-Appointment	
Name	Mrs. Paru M. Jaykrishna	Mr. Gokul M. Jaykrishna
DIN	00671721	00671652
Date of Birth	05.08.1943	24.10.1968
Age	81 Years	55 Years
Date of appointment/ re-appointment	04.07.1989 (Initial date of appointment)	09.10.2015
Qualifications	Law Graduate, M.A. in English Literature and Bachelor's degree in Philosophy and Sanskrit	Major in Finance and Marketing from Lehigh University, Bethlehem (USA)
Brief Profile and Expertise in specific functional areas	She is a Law Graduate and holds a Bachelor's degree in Philosophy and Sanskrit & Master's degree in English Literature. Her role in the organisation is that of strategic decision-maker and policy-maker to ensure growth. She is one of the most renowned Women Entrepreneurs in India and was the First and only Elected Lady President of the Gujarat Chambers of Commerce and Industry in 75 years. In past, she has been the Director of the Tourism Corporation of Gujarat, Gujarat State Handloom House Corporation and the Small Industries Development Bank of India (SIDBI).	He has the experience of working with Krieger Associates, New Jersey (USA) one of the largest currency option traders.
Relationship between directors inter se	She is mother of Mr. Munjal M. Jaykrishna, Joint Managing Director & CEO and Mr. Gokul M. Jaykrishna, Non-Executive Non-Independent Director and grandmother of Mr. Sachin M. Jaykrishna, Additional Director (Whole Time, Executive) of the Company	He is son of Mrs. Paru M. Jaykrishna, Chairperson & Managing Director and brother of Mr. Munjal M. Jaykrishna, Joint Managing Director & CEO and uncle of Mr. Sachin M. Jaykrishna, Additional Director (Whole Time, Executive) of the Company
Terms and conditions of appointment/ re-appointment	She is Chairperson and Managing Director of the Company. As per terms of appointment, she is liable to retire by rotation as per the provisions of Section 152 of the Companies Act, 2013 and being eligible offer herself of reappointment. She is entitled for remuneration.	To be re-appointed as director liable to retire by rotation
Number of Board meetings attended during the year	4 out of 4	4 out of 4
No. of shares held in the Company including as a beneficial owner	31,22,673 Equity Shares held as a trustee(s) of M/s. Mrugesh Jaykrishna Family Trust-2	0
Name of the listed entities in which the person also holds the Directorship (excluding the Company)	Asahi Songwon Colors Limited	1. Asahi Songwon Colors Limited, 2. The ANUP Engineering Limited
Membership of Committees (Audit and Stakeholders Relationship Committee in other listed entities)	None	None
Names of the listed entities from which the person has resigned in the past three years	None	None

DIRECTORS' REPORT

DIRECTORS' REPORT



Dear Shareholders,

Your Directors are pleased to present their 35th Annual Report together with the Audited Financial Statements of your Company for the financial year ended March 31, 2024.

1. FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	Current Year 2023-24	Previous Year 2022-23
Revenue from operations	30,204.70	33,467.86
Other Income	44.87	15.17
Total Income	30,249.57	33,483.03
Profit for the year before Finance Costs, Depreciation, Exceptional Items and Tax Expenses	194.80	1,556.44
Less: Finance Costs	372.67	321.50
Profit for the year before Depreciation, Exceptional Items and Tax Expenses	(177.87)	1234.94
Less: Depreciation	1,378.32	1,284.84
Profit for the year before Exceptional Items and Tax Expenses	(1,556.19)	(49.90)
Add/(Less): Exceptional Items	Nil	Nil
Profit for the year before Tax Expenses	(1,556.19)	(49.90)
Less: Current Tax	-	-
Less: Deferred Tax	311.54	44.31
Less: Adjustment of tax for earlier years (Net)	-	-
Net Profit for the year	(1,867.73)	(94.21)
Add: Balance brought forward from last year		
Depreciation Adjustment	Nil	Nil
Deferred tax on Depreciation Adjustment	Nil	Nil
Surplus available for Appropriation	16,564.97	18,455.89
Appropriation		
Other Comprehensive Income	(9.42)	16.98
Transfer to General Reserve	Nil	Nil
Final Dividend of Rs. 0.50 per Equity Share (P. Y. Rs. 0.50 per Equity Share)	(40.17)	(40.17)
Tax on buy-back	-	-
Balance carried over to Balance Sheet	16,515.38	18,432.70

2. DIVIDEND

After considering the overall financial performance and cash flow of the Company, the Board of Directors of the Company are pleased to recommend a final dividend of Rs. 0.50/- per equity share (5% on the face value of Rs. 10/- each) for the year ended March 31, 2024 subject to approval of the members at the forthcoming Annual General Meeting. The final dividend, if declared as above would involve a total outgo of Rs. 40.17 Lakhs towards dividend for the year.

During the previous financial year, the Company has paid final dividend of Rs. 0.50 per equity share (5% on face value of Rs. 10 each), and the total outgo was Rs. 40.17 Lakhs towards dividend.

As per the provisions of Income Tax Act, 1961 amended from time to time, dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. Accordingly, the Company makes the payment of the dividend from time to time after deduction of tax at source.

3. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, the Company had transferred Rs. 10,00,727/- to the Investor Education and Protection Fund established by the Central Government during the financial year 2023-24, as unclaimed dividend after expiry of seven years for the year ended March 31, 2016. Also Section 124(6) of the Companies Act, 2013, requires a Company to transfer in the name of Investors Education and Protection Fund (IEPF) Authority all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more. In accordance with the said provisions read with the Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company will transfer all shares in respect of which dividends declared for the year 2017-2018 has not been paid or claimed by members for 7 (seven) consecutive years or more.

The Shareholders/ claimants whose shares and unclaimed dividend have been transferred to the IEPF Account may claim the shares or apply for refund by making an application to the IEPF Authority. A details of Nodal officer of the Company appointed by the Board of directors is available at Company's website at <https://www.aksharchemindia.com/uploads/report/3551706680081General%20Business%20Information.pdf>

4. TRANSFER TO RESERVES

During the year under review, no amount is appropriated from Profit and Loss Account and transferred to any reserve account.

5. STATE OF COMPANY'S AFFAIRS

The highlights of the Company's performance are as under:

General

During the year under review, the revenue from operations of the Company decreased to Rs. 30,204.70 lakhs as compared to Rs. 33,467.86 lakhs in the previous year impacted by sluggish demand and lower price realisation across the markets and the Company has incurred a net loss of Rs. 1,867.73 Lakhs. During the whole year, the dye and pigment industry continues under pressure due to extended geopolitical tensions witnessed drop in exports and the Company's performance remains moderated as compared to the previous year. This is mainly on account of global economic slowdown and volatile input prices. This was affected to both Dye Intermediates and Pigments sectors.

Exports

The export turnover has decreased from Rs. 21,244.64 Lakhs to Rs. 14,790.73 Lakhs compared to previous year. Dumping/selling at lower rate by China in the current scenario makes it difficult for the Company to improve margins. The Company along with other players coming in the same industry contemplating on the same issue but the speed at which it would've been resolved is not satisfaction & industry players still awaits final conclusion on anti-dumping duty relief from china.

6. FIRE INSURANCE CLAIMS

Fire incident in Dry zone building of Vinyl Sulphone (VS) plant in Indrad

After completion of the year under review, an unfortunately, a fire broke out in Dry zone building of Vinyl Sulphone (VS) Plant situated in Village: Indrad, Chhatral-Kadi Road, Mahesana-382715 on 2nd May, 2024. Due to fire incident, production operation of the said Dry zone plant disrupted. However, there were no human injuries or casualties reported. The initial estimated loss of the material stock at dry zone of VS plant is around Rs. 3.15 crores and loss of Plant & Machinery, Building and other assets is around 5.35 crores. The Company has adequate insurance coverage and the Company in the process of putting final claim bill with the insurance company.

7. INTELLECTUAL PROPERTY RIGHTS

The Company is having the certificate for registration of trademark from the Registrar of Trade Marks, Trade Marks Registry, Gujarat for its logo i.e. AksharChem and its products Pigment Green 7 and Precipitated Silica i.e. Asaflow and Aksil respectively.

8. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the financial year ended March 31, 2024.

9. SHARE CAPITAL

During the year under review, the paid-up capital of the Company has remained the same.

Issue of Shares with differential rights

During the year under review, the Company has not issued equity shares with differential rights.

Issue of Sweat Equity Shares

During the year under review, the Company has not issued Sweat Equity Shares.

Issue of Employee Stock Options

During the year under review, the Company has not issued any shares under Employee Stock Option.

Buy Back

During the year under review, the Company has not bought back any shares.

Authorised Share Capital

During the year under review, there is no change in the Authorized Share Capital of the Company.

10. FINANCE AND INSURANCE

The Company has been financed by State Bank of India and HDFC Bank Limited.

All insurable interests of the Company, including plant and machinery, building, stocks, vehicles, stores and spares have been adequately insured against various risks and perils.

11. PUBLIC DEPOSITS

The Company has not accepted deposit from public during the

year and there was no deposit outstanding on March 31, 2024.

12. PARTICULAR OF SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANY

During the year under review, your Company does not have any Subsidiary/ Joint Venture/ Associate Company.

13. CERTIFICATIONS

During the year under review the Company have its quality certifications of ISO 9001:2015, certification for environment management system of ISO 14001:2015 and certification for occupation, health & safety of ISO 45001:2018.

14. EXPORT HOUSE STATUS

The Company has the status of "Three Star Export House" by Office of Additional Director General of Foreign Trade, Ahmedabad, in accordance with provisions of Foreign Trade Policy, 2023. This status is valid till March 31, 2028.

15. CREDIT RATING

The CARE Ratings Limited has reviewed the ratings on the bank facilities of the Company and revised the rating of the Company as "CARE A-; Stable" (Single A Minus) assigned to the long term bank facilities and "CARE A2+" (A Two Plus) assigned to long term/ short term bank facilities for fund based limit and "CARE A2+" (A Two Plus) assigned to the short term bank facilities for non fund based limit.

16. LISTING

The Equity Shares of the Company continue to be listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and required Listing Fees for the year 2024-25 has been paid.

17. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are enclosed as "Annexure A" to the Board's report.

18. RISK MANAGEMENT

We believe that risk management is an integral part of our operations. It is essential to identify and manage risks in order to reduce uncertainties and ensure continuity of business. We have a risk management framework and team that implements the processes specified in the framework. Further details are set out in the Management Discussion and Analysis Report forming part of the Directors' Report.

19. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

In accordance with the provisions of Section 135 of the Companies Act, 2013 and the rules framed there under the Company has a Corporate Social Responsibility Committee of Directors.

At the end of the year under review, the composition of the CSR committee, as per the applicable provisions of the Act and Rules, is as follows:

Mrs. Paru M. Jaykrishna- Chairperson

Mr. Gautam Jain- Member

Ms. Maitri K. Mehta- Member

A detailed note on the Board and its committees is provided under the Corporate Governance Report section in this Annual Report.

The CSR Committee has inter alia also formulated a CSR Policy.

The Company is not required to deposit any amount in a separate Bank account opened with a Scheduled Bank in Compliance with CSR Rules 2021 for the CSR identified projects.

Pursuant to sub-rule (1B) of Rule 12 of Companies (Accounts) Rules, 2014, the Company has submitted the Report on Corporate Social Responsibility (CSR) through web form CSR 2 for the financial year 2022-23.

The role of the CSR Committee is to review the CSR policy, indicate activities to be undertaken by the Company towards CSR activities and formulate a transparent monitoring mechanism to ensure implementation of projects and activities undertaken by the Company towards CSR initiatives.

The Report on CSR Activities, which forms part of the Directors' Report, is annexed as "Annexure B" to this report.

20. DISCLOSURES ON MANAGERIAL REMUNERATION

Details of Managerial Remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as per "Annexure C" to this report.

21. PARTICULARS OF EMPLOYEES

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided as "Annexure D" to this report.

22. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors Retiring by Rotation

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Paru M. Jaykrishna (DIN: 00671721) and Mr. Gokul M. Jaykrishna (DIN: 00671652), Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment. The Nomination and Remuneration Committee and Board recommends such reappointment.

Brief profile of the Director being re-appointed as required under Regulations 36(3) of Listing Regulations, 2015 and Secretarial Standard on General Meetings is provided in the Notice of the forthcoming AGM of the Company.

Key Managerial Personnel

The following persons are the Key Managerial Personnel:

Mr. Munjal M. Jaykrishna, Joint Managing Director & CEO

Mr. Hardik S. Shah, Chief Financial Officer (CFO)

Mr. Mehul Naliyadhara, Company Secretary (CS)

Mr. Meet Joshi has resigned from the post of Company Secretary & Compliance Officer w.e.f 17th November, 2023. Mr. Mehul Naliyadhara has been appointed as the Company Secretary & Compliance Officer of the Company w.e.f 30th January, 2024.

Women Director

The Board of Directors of the Company includes women director viz. Mrs. Paru M. Jaykrishna and Ms. Maitri K. Mehta. Accordingly, the Company is in compliance with the requirement of section 149(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Independent Directors

Mr. Jigar M. Patel have been re-appointed as an independent director of the Company for a second term of five consecutive years with effect from August 09, 2022 and Ms. Maitri K, Mehta

was re-appointed as an independent director of the Company for a second term of five consecutive years with effect from March 28, 2024.

After completion of the financial year, pursuant to the provisions of the Companies Act, 2013, Mr. Gautam M. Jain and Dr. Pradeep Jha, has ceased to be Independent Directors of the Company, w.e.f. close of business hours on 11th August, 2024, consequent to end of their second and final term of five years as an Independent Directors. On recommendation of Nomination and Remuneration Committee (NRC), the Board of directors has appointed, Mr. Nirav Kalyanbhai Shah (DIN: 00397336), Mr. Sameer Surendranarayan Sinha (DIN: 00217107) and Mr. Keyur Dharvantlal Gandhi (DIN: 02448144), as an Additional Directors (Non-Executive and Independent Directors) of the Company effective from 2nd August, 2024. The board has recommended the same for the approval of the shareholders at ensuing Annual General Meeting for their appointment as Non-Executive Independent Directors of the Company for a first term of five consecutive years effective from 2nd August, 2024 to 1st August, 2029, not liable to retire by rotation.

Declaration by Independent Directors

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

Statement regarding to Integrity, Expertise and Experience (including the proficiency) of the Independent directors

The Board has opined that all the Independent directors of the Company has possessed relevant Integrity, Expertise and Experience in commensurate with the business of the Company. All Independent Directors of the Company are registered with the Independent Directors Databank as maintained and managed by the Indian Institute of Corporate Affairs. Also all Directors have meets the requirements of proficiency self-assessment test under Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014 (amended from time to time).

Board Evaluation

The Board of Directors of the Company is committed to assess its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning. To that end, the Nomination and Remuneration Committee has established processes for performance evaluation of Independent Directors, the Board and Committees of the Board. Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of its Committees as well as the Directors individually. Details of the evaluation mechanism are provided in the Corporate Governance Report.

Policy on Appointment and Remuneration of Directors and Key Managerial Personnel

The Board has on the recommendation of the Nomination and Remuneration Committee framed a policy on selection and appointment of Directors, Senior Management and their remuneration. The Nomination and Remuneration Policy is available on the website of the Company at <https://www.aksharchemindia.com/uploads/report/671152722747311.%20Nomination%20and%20Remuneration%20Policy.pdf>.

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company

operates, business model of the Company and related matters are available on the website of the Company at <https://www.aksharchemindia.com/uploads/report/3891657873710POLICY.pdf>.

Diversity of the Board

The Company recognizes and embraces the benefit of having a diverse Board of Directors and views increasing diversity at the Board level as an essential element in maintaining competitive advantage in the Business in which it operates. This Policy is available on the website of the Company at <https://www.aksharchemindia.com/uploads/report/85615272277327.%20Policy%20of%20Board%20Diversity.pdf>.

23. NUMBER OF MEETINGS OF THE BOARD

During the financial year 2023-2024, the Board of Directors of the Company, met 4 (Four) times on May 30, 2023, August 10, 2023, November 07, 2023 and January 30, 2024.

24. INDEPENDENT DIRECTORS' MEETING

A separate Meeting of the Independent Directors of the Company was also held on January 30, 2024, where at the prescribed items enumerated under Schedule IV to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, were discussed.

25. AUDIT COMMITTEE

At the end of the year 31.03.2024, the composition of the Audit committee, as per the applicable provisions of the Act and Rules, is as follows:

Dr. Pradeep Jha - Chairman

Mr. Jigar M. Patel- Member

Ms. Maitri K. Mehta- Member

A detailed note on the Board and its committees is provided under the Corporate Governance Report section in this Annual Report.

26. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have adopted the vigil mechanism/whistle blower policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company. The Audit Committee oversees the vigil mechanism.

27. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Board has adopted policies and procedures to ensure the orderly and efficient conduct of its business, including but not limited to the prevention and detection of frauds and errors, the safeguarding of its assets, the accuracy and completeness of the accounting records, adherence to the company's policies, periodical review of financial performance of Company and review of the accounts every quarter by Statutory Auditors. The Company has appointed Independent Internal Auditors who periodically audit the adequacy and effectiveness of the internal controls and suggest improvements.

Internal Control Systems are reviewed by Audit Committee headed by a Non- Executive Independent Director on a regular basis for its effectiveness and the necessary changes suggested are interpreted into the system. Every quarter the Audit Committee reviews the adequacy and effectiveness of

internal control systems and monitors the implementation of improvement actions.

28. AUDITORS

A) STATUTORY AUDITORS

M/s. Talati & Talati LLP, Chartered Accountants (Firm Registration No. 110758W/W100377), Ahmedabad, were appointed as the Statutory Auditors of the Company for a term of five years up to the conclusion of the 38th Annual General Meeting of the Company to be held in 2027.

M/s. Talati & Talati LLP, Chartered Accountants, have submitted their Report on the Financial Statements of the Company for the Financial Year 2023-24, which forms part of the Annual Report 2023-24. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Reports that may call for any explanation from the Directors.

B) SECRETARIAL AUDITORS

Mr. Bipin L. Makwana, Practicing Company Secretary (Membership No. A15650), was appointed to conduct the secretarial audit of the Company for the financial year 2023-24, as required under Section 204 of the Companies Act, 2013 and Rules there under. Secretarial Audit Report for F.Y. 2023-24 forms part of the Annual Report as "Annexure E" to the Board's report.

The Secretarial Auditor has not made any comments or given any qualification, reservation or adverse remarks or disclaimer in their Audit Report.

C) COST AUDITOR

During the year under review, the Company has made and maintained cost accounts and records as specified by the Central Government under Section 148(1) of the Companies Act, 2013. For the financial year 2023-24, M/s. M. I. Prajapati & Associates, Cost Accountants, Ahmedabad (FRN-101450) have conducted the audit of the cost records of the Company.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications / Circulars issued by the Ministry of Corporate Affairs from time to time, the Board appointed M/s. M. I. Prajapati & Associates, Cost Accountants, Ahmedabad (FRN-101450) to conduct the audit of the cost records of the Company for the financial year 2024-25. The remuneration payable to the Cost Auditor is subject to ratification by the Members at the Annual General Meeting. Accordingly, the necessary Resolution for ratification of the remuneration payable to M/s. M. I. Prajapati & Associates, Cost Accountants, to conduct the audit of cost records of the Company for the financial year 2024-25 has been included in the Notice of the ensuing 35th Annual General Meeting of the Company. The Directors recommend the same for approval of the Members.

D) INTERNAL AUDITOR

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Board of directors of the Company has appointed M/s. Mahendra N. Shah & Co., Chartered Accountants, Ahmedabad as an Internal Auditor of the Company for the financial year 2023-24.

E) REPORTING OF FRAUD BY AUDITORS

During the year under review, the 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 Companies Act, 2013.

29. ANNUAL RETURN

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, copy of the Annual Return of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 may be accessed on the Company's website at: <https://www.aksharchemindia.com/uploads/report/7681723611616Annual%20Return.pdf>.

30. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE

During the year under review, the Company has not given loans, provided any guarantees or made investments covered under section 186 of the Companies Act, 2013.

31. PARTICULARS OF CONTRACTS OR ARRANGEMENTS ENTERED INTO WITH RELATED PARTIES

All Related Party transactions that were entered into during the year under review were in ordinary course of business and were on arm's length basis. There were no materially significant related party transactions made by the Company which may have potential conflict of interest.

Further, there were no material related party transactions which were not in ordinary course of business and were not on arm's length basis and hence there was no information required to be provided under Section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 in form AOC-2 and under Section 188(2) of the Companies Act, 2013. However, the details of transactions with Related Parties are provided in the Company's financial statements in accordance with the Accounting Standards.

The policy on Related Party Transactions as approved by the Board is available on website of the Company at <https://www.aksharchemindia.com/uploads/report/7191706680336Policy%20on%20Related%20Party%20Transaction.pdf>.

32. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis Report is appended as "Annexure F" to this Report.

33. CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance. A separate Corporate Governance Report as stipulated under Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is furnished as "Annexure G" to this Report together with certificate from Mr. Bipin L. Makwana, Practicing Company Secretary (Membership No. A15650) confirming compliance with the conditions of Corporate Governance.

34. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to submit Business Responsibility and Sustainability Report not applicable to your Company for the financial year ended 31st March, 2024.

35. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013 and based on the information provided by the management, your directors state that:

(a) in the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper

explanations relating to material departures, if any;

- (b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit and loss of the Company for the year ended on that date;
- (c) the Directors have taken proper and sufficient care for the 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 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; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

Your Company has zero tolerance for sexual harassment at workplace. The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and the rules framed thereunder. It is the continuous endeavor of the Management of the Company to create and provide an environment to all its employees that is free from discrimination and harassment, including sexual harassment. During the year under review, the Committee had not received any complaint.

37. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

38. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Our human capital contributes significantly to our business operations and we believe that employees are our valuable asset and core strength. To further support that strength, we have identified skill set building as one of key business drivers, and have focused our employee initiatives in that direction. We periodically organize various trainings for our employees to enhance their knowledge and skills. Our learning and development training programs are governed by quality business management principles adopted by us, which include a principle of in-depth identification of development needs and comprehensive structure of learning and development.

We believe that our human resources initiatives led to positive trends in the production, quality, cost, delivery, safety and morale parameters in manufacturing, a higher level of engagement in workers, better working relationships between sales managers and reportees. We also engage contract labour depending on our requirements from time to time, particularly at our manufacturing facilities. The attrition rate of the Company is very low as compare to other companies in the concerned sector. Industrial relations remained harmonious with a focus on productivity, quality and safety throughout the year. Your directors wish to place on record their sincere

appreciation for the devoted services of all the employees and workers of the Company.

39. DISCLOSURES

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

- (i) no significant or material orders were passed by any regulator or court or tribunal which impacts the going concern status and Company's operations in future.
- (ii) no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.
- (iii) the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.
- (iv) the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

40. GREEN INITIATIVE

The Ministry of Corporate Affairs had taken the Green Initiative in Report on Corporate Governance by allowing paperless compliances by Companies through electronic mode. Your Company supports the Green Initiative and has accordingly decided to send necessary communications to its Shareholders to their respective registered E-mail addresses.

41. ENVIRONMENT SAFETY AND HEALTH

Your Company continues to exercise persistent and meticulous efforts towards greener earth and environment conservation. The Company preserves in its efforts to teach safe and environmentally accountable behavior in every employee, as well as its vendors. The Company is committed towards safety, not only of its own men and plant, but also of the society at large.

Solid waste generated at the Works, after treatment of its liquid effluent is shifted to a Gujarat Pollution Control Board (GPCB) approved site.

The Company continues to demonstrate its commitment to a clean and safe environment. The State of the art effluent treatment plant continues to run satisfactorily, so that the treated waste water discharged is well within the stipulated norms set by GPCB.

Your Company has ISO 14001:2015, ISO 9001:2015 and ISO 45001:2018 certification for its unit.

42. APPRECIATION AND ACKNOWLEDGEMENTS

Your Directors are grateful and pleased to place on record their thanks to Government of India, Government of Gujarat, Electricity supply companies and Bankers for their excellent support, guidance and continued cooperation.

The Company is thankful to the shareholders for reposing trust in the Company and their unflinching enthusiasm and patronage.

43. CAUTIONARY STATEMENT

The Board's Report and Management Discussion & Analysis may contain certain statements describing the Company's objectives, expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ

materially from what is expressed herein. The Company is not obliged to update any such forward-looking statement. Some important factors that could influence the Company's operations comprise of economic developments, pricing and demand and supply conditions in global and domestic markets, changes in government regulations, tax laws, litigation and industrial relations.

For and on behalf of Board of Directors

Place : Ahmedabad
Date : August 02, 2024

PARU M. JAYKRISHNA
Chairperson & Mg. Director
DIN: 00671721

Registered Office:

"Akshar House",
Chhatral-Kadi Road,
Indrad – 382 715,
Mahesana, Gujarat (India)
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Phone: +91 2764 233007
Website: www.aksharchemindia.com
Email id: cs@aksharchemindia.com

ANNEXURE A TO DIRECTORS' REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014.

A. Conservation of Energy

(i) the steps taken or impact on conservation of energy

The Company mainly focuses on the conservation of the energy and its utilization. Main efforts taken by the Company for the same is research and development activities towards optimising processes which has resulted in minimizing energy usage. We have water treatment plants at our facilities which ensure most of the waste water generated in manufacturing is treated. This treated water is reused in some processes and for gardening.

At our plants, the use of automated packaging machines has greatly reduced packaging waste. Further, we provide regular training and conduct awareness programs for employees towards optimising resource consumption and minimising waste. The Company focuses in the area of utility for reduction and optimization of energy.

(ii) Steps taken by the Company for utilising alternate sources of energy

During the year under review the Company has used natural gas and also used solid fuel as a plant fuel. And also the Company has installed solar plant of 16 KW and made it operational for alternate source of power for lighting and office use.

(iii) The capital investment on energy conservation equipments

The Company have implemented advanced technology in terms of energy saving in electricity and utilities by doing automation which improves life of process equipment during the operation. We also maintain a green belt which acts as carbon sink and every year build on it through tree plantation drives.

(iv) Impact of measures taken at (i) & (iii) above for reduction of energy consumption

Satisfactory impact of measures taken as above has been observed during the year and it is continuous process followed for reduction of energy consumption.

B. Technology Absorption

(i) The efforts made towards technology absorption

For technology absorption company is providing the training to operators of the plant for smooth running and cost effective maintenance of the plants and machineries. The Company also focus on giving quality product and for that gradually investing in procurement of various instruments. We continually invest in modernising our plant infrastructure and equipment including in automation technologies to reduce in energy consumption per unit.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

Various techniques for automisation and control adopted by the Company helped in to achieve better control over quality and cost. Updation of systems in machineries is continuous process for better control over quality and cost and continues to monitor the same.

(iii) Information regarding imported technology (Imported during last three years)

- Technology imported: Nil
- Year of Import: Not Applicable
- Has technology been fully absorbed?: Nil
- If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

(iv) Expenditure incurred on Research and Development

		₹ in Lakhs	
Sr. No.	Particulars	2023-24	2022-23
1	Capital	7.47	0.35
2	Revenue	26.84	17.29
	Total	34.30	17.64
	Total Expenditure as a % of Turnover	0.11%	0.05 %

C. Foreign exchange Earnings and Outgo

(i) Activities relating to export, initiatives to increase exports, Developments of New export markets for Products and Services and Export Plan.

The Company exports its product to Europe, Far East, South East Asia, China, USA and other countries. The Company has continued to maintain focus and availed export opportunities based on economic situation. During the year under review the Company exported Dye Intermediates, Pigments and Precipitated Silica valuing to Rs. 14142.52 Lakhs (Previous Year Rs. 20,334.70 Lakhs) to various countries around the World. Continuous efforts are being taken to increase exports by exploring new markets.

(ii) Total Foreign exchange Earned and Used

		₹ in Lakhs	
Particulars	2023-24	2022-23	
Foreign Exchange earned in terms of Actual Inflows	14142.52	20,334.70	
Foreign Exchange outgo in terms of Actual Outflows	1039.14	447.94	

ANNEXURE B TO DIRECTORS' REPORT

Annual Report on CSR Activities

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

This policy, which encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programme for welfare & sustainable development of the community at large. This policy shall apply to all CSR initiatives and activities taken up by the Company, for the benefit of different segments of the society, specifically the deprived, under-privileged and differently abled persons. ACIL's CSR Policy is available on the Website of the Company: www.aksharchemindia.com

ACIL is committed to remaining a responsible corporate entity, mindful of its social responsibilities and to make a positive impact in the society. As a responsible corporate entity, ACIL

will consistently strive for opportunities to meet the expectation of its stakeholders by pursuing the concept of sustainable development with focus on the following:-

- To take up programmes that benefit the communities where it operates in enhancing the quality of life & economic well being of the local populace.
- To serve the socially and economically weak, disadvantaged, underprivileged and destitute sections of the Society regardless of age, class, colour, culture, disability, ethnicity, family structure, gender, marital status, nationality origin, race or religion with intention to make the group or individual self dependent and live life more meaningfully.
- To extend humanitarian services in the community to further enhance the quality of life like health facilities, education, basic infrastructure facilities to local areas that have so far not been attended to.
- To generate, through its CSR initiatives, a community goodwill for ACIL and help reinforce a positive & socially responsible image of ACIL as a corporate entity.

2. Composition of the CSR Committee:

The CSR Committee comprises of the following members:

Sr. No.	Name of Director	Designation	Position	Number of meetings held	Number of meetings attended
1	Mrs. Paru M. Jaykrishna	Managing Director	Chairperson	4	4
2	Mr. Gautam Jain	Independent Director	Member	4	4
3	Ms. Maitri K. Mehta	Independent Director	Member	4	4

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

<https://www.aksharchemindia.com/uploads/report/8181629881358Policy%20on%20CSR.pdf>

4. 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.

Not Applicable

5. a) Average net profit of the Company as per sub-section (5) of Section 135: 1199.43 lakhs

b) Two percent of average net profit of the Company as sub-section (5) of Section 135: 23.99 lakhs

c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil

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

e) Total CSR obligation for the financial year [(b)+(c)-(d)]: 23.99 lakhs

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): 24.10 lakhs

b) Amount spent in Administrative Overheads: Nil

c) Amount spent on Impact Assessment, if applicable: Nil

d) Total amount spent for the Financial Year [(a)+(b)+(c)]: 24.10 lakhs

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

(Rs. in Lakhs)

Total Amount Spent for the Financial Year.	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
24.10	N.A.		N.A.		

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

(Rs. in Lakhs)

Sr. No.	Particulars	Amount
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	23.99
(ii)	Total amount spent for the Financial Year	24.10
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.11
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.11

ANNEXURE B TO DIRECTORS' REPORT

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

The CSR Committee comprises of the following members:

(₹ in Lakhs)

Sr. No.	Preceding Financial year	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135	Balance amount in Unspent CSR Account under sub-section (6) of Section 135	Amount spent in the reporting Financial Year	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any	Amount remaining to be spent in succeeding Financial Years	Deficiency, if any
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Not Applicable

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

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

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

Munjal M. Jaykrishna

Jt. Managing Director
& CEO

DIN: 00671693

Place: Ahmedabad

Date: August 02, 2024

Paru M. Jaykrishna

Chairperson of the
CSR Committee

DIN: 00671721

ANNEXURE C TO DIRECTORS' REPORT

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, are given below:

A. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any during the financial year 2023-24, and ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24:

Sr. No.	Name	Designation	Ratio of remuneration of each Director to median remuneration of employees	% Increase in Remuneration in the FY2023-24
1	Mrs. Paru M. Jaykrishna	Chairperson & Managing Director	13.51	42.86
2	Mr. Munjal M. Jaykrishna	Joint Managing Director & CEO	20.55	52.62
3	Mr. Ashok D. Barot	Executive Director	3.89	Nil
4	Mr. Gokul M. Jaykrishna	Non-Executive Director	N.A.	N.A.
5	Mr. Gautamkumar M. Jain	Independent Director	N.A.	N.A.
6	Mr. Jigar M. Patel	Independent Director	N.A.	N.A.
7	Dr. Pradeep J. Jha	Independent Director	N.A.	N.A.
8	Ms. Maitri K. Mehta	Independent Director	N.A.	N.A.
9	Mr. Hardik Shah	Chief Financial Officer	N.A.	8.08
10	Mr. Meet J. Joshi*	Company Secretary	N.A.	N.A.
11	Mr. Mehul C. Naliyadhara*	Company Secretary	N.A.	N.A.

Notes:

- Mr. Meet J. Joshi, resigned from the post of Company Secretary & Compliance Officer, w.e.f. 17th November, 2023 and Mr. Mehul Naliyadhara, appointed as Company Secretary & Compliance Officer, w.e.f. January 30, 2024 and information is for part of the year, the same is not comparable.
- The Company has paid only entitled sitting fees to the Independent directors.

B. The percentage increase in the median remuneration of employees in the financial year: 10.48%

C. The number of permanent employees on the rolls of Company: 163

D. 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:

On an average, employees received an annual increase was of around 5%. The individual increments varied from 4% to 10%, based on individual performance. The increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

E. We affirm that the remuneration paid to the Managerial and Non-Managerial Personnel is as per the remuneration policy of the Company.

ANNEXURE D TO DIRECTORS' REPORT

Statement containing the particulars of employees in accordance with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. Employed throughout the financial year 2023-24 and were paid remuneration not less than Rs. 1 Crore and Two Lakhs per annum: NA
- ii. Employed part of the financial year with average salary above Rs. 8.50 Lakh per month: NA
- iii. Employee employed throughout financial year or part thereof, was in receipt of remuneration of in aggregate is in excess of that drawn by the Managing Director or Whole Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than Two percent (2%) of the Equity Shares of the Company: NA
- iv. Details of remuneration to Top 10 (Ten) Employees which form part of the Director's Report will be made available to any members on request in terms of provisions of Section 136(1) of the Companies Act, 2013. responsible image of ACIL as a corporate entity.

ANNEXURE E TO DIRECTORS' REPORT

Form No. MR-3 SECRETARIAL AUDIT REPORT For the financial year ended 31st March, 2024

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

To,
The Members,
Aksharchem (India) Limited
"Akshar House", Chhatral-Kadi Road,
Indrad – 382 715, Mahesana, Gujarat

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by M/s. Aksharchem (India) Limited (hereinafter called 'the Company') for the audit period covering the financial year ended on 31st March, 2024. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit; the explanation and clarification given to me and the representation made by the Management, I hereby report that in my opinion, the Company has generally, during the audit period complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent based on the management representation letter/confirmation, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the regulations and by-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of overseas direct investment and external commercial borrowings;
- (v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (not applicable during the audit period);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity)

- (e) Regulations, 2021 ; (Not applicable during audit period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable during audit period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable during audit period);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during audit period)
- (vi) Other sector-specific laws as applicable to the Company, including product laws, pollution laws, manufacturing laws and safety laws as per confirmations of compliances placed before the Board of Directors, for our verification carried out on a test-check basis and considered as an assurance for the existence of a proper compliance management system.

I have also examined compliance with the applicable clauses of the following;

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with BSE Ltd and National Stock Exchange of India Ltd and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments.

I report that during the year under audit, the Company has generally complied with the provisions of the Act, rules, regulations, guidelines etc. as mentioned above.

I further report that based on the information provided by the Company, its officers there exist adequate systems, process and control commensurate with the size and operations of the Company to monitor and ensure compliance of other laws. I have not reviewed the compliance by the company of applicable financial laws like direct and indirect tax laws as the same has been reviewed by the other designated professionals.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

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

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were

no dissenting views by any member of the Board of Directors during the period under review.

I further report that the members at the 34th Annual General Meeting held on 27th September, 2023, passed Special Resolution authorizing the Board of Directors to issue Non convertible debentures and/or other debt securities in one or more series/trenches aggregating upto Rs.300 Crores.

I further report that during the audit period there were no specific event/action having a major bearing on the Company's affairs.

Bipin L. Makwana,

Company Secretary in Practice
Membership No. A15650/ C. P. No.5265
UDIN: A015650F000877709
PRN: 2680

Place: Ahmedabad
Date: 02/08/2024

Annexure I to the Secretarial Audit Report for the Financial Year ended 31st March, 2024

To,
The Members,
AksharChem (India) Limited

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of Secretarial records and compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are responsibility of management of the Company. My responsibility is to express an opinion on these Secretarial records and compliance based on my audit.
2. I have followed audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the content of the Secretarial Records. The verification was done on the test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I followed provide reasonable basis for my opinion.
3. I have not verified correctness and appropriateness of the financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained and relied on management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Bipin L. Makwana,

Company Secretary in Practice
Membership No. A15650/ C. P. No.5265
UDIN: A015650F000877709
PRN: 2680

Place: Ahmedabad
Date: 02/08/2024

ANNEXURE F TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW

Aksharchem (India) Limited is one of the leading chemicals manufacturing company based in India with a focus on exports to over 30 countries. The Company has also re-directed its focus on the domestic market as one of the future growth drivers. Our product offerings fall into two categories organic chemicals and inorganic chemicals, which further diversified into Vinyl Sulphone, H Acid, CPC Green in organic chemicals and Precipitated Silica in inorganic chemicals. Out of which organic chemicals have multiple applications in textile, inks, plastics and paints industries and inorganic chemicals have applications in tyre, rubber, agrochemical and animal feed industries. We are one of the key manufacturers in the chemical markets for these products and have been recognised as Three Star Export House by the Government of India. We believe that we have built strong reputation in various markets, over 30 years of experience that has translated to a customer base.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Our manufacturing facility is located in Gujarat, with installed manufacturing capacity of 23,400 MTPA, as of March 31, 2024. Our facility is fully integrated and equipped to manage products from the stage of chemical treatment to dispatch, lending us competitive advantages such as cost effectiveness and maintenance of quality standards. Our facility includes automated and cost-efficient systems and quality control and quality assurance laboratories, among others. The plants of the Company are situated at Chhatral and Dahej Locations.

As far as concerned with the Industry, multiple basic and specialty chemical manufacturers are staring at weak prospects in the near term, led by weak global demand and destocking of inventory. Declining chemical prices and increased competition from China post opening of the Chinese economy are putting pressure on their margins. The only solace for now comes from some decline in raw material prices. Nevertheless, there are multiple factors that led to a cautious near-term outlook for many companies even as analysts maintain a structurally positive view on the sector looking at long-term prospects.

OPPORTUNITIES AND THREATS

The Company has successfully penetrated in catering precipitated silica needs of major tyre and rubber manufacturers of India. Company has committed for expansions for various types of precipitated silica. Product mixes available for consideration are conventional precipitated silica, micro pearl silica and highly dispersible silica. The Company has identified domestic market as one of the future growth driver. The Company is committed to increase its market share by increasing domestic sale of all the products.

The Company has witnessed major slowdown in the demand which has forced the partial stoppage of the plant operations, resulting into minimum operating margin and ultimately not able to cover all the fixed overheads which is necessary for the positive bottom line. However, the demand started improving after prolonged sluggishness of the chemical sector. We believe that there would be some challenges in the next financial year too but we hope for the positive uptrend also.

OUTLOOK AND STRATEGY

The Company has successfully completed the capex for shifting of CPC Green Production line to the new building facility. The Company has entered in the new geography namely Turkey,

Vietnam, Srilanka etc. The Company is regularly conducting Sales & Operations Planning Meeting for identifying the issues and resolving them in an efficient and timely manner. During the year the Operating Cash flow of the Company has improved by effective utilization of working capital.

The Company is ensuring sustainable performance even though there remains high vulnerability in raw material prices. We believe that our performance will be back on track, once the situation of geopolitical instability and global economy start improving. Further, with increased capacity utilization, company is reaching out to all markets in tyre and rubber industry with parallel efforts for increased capacity creation during the year. New products requirements as per various demands of customers are being studied to expand product portfolio in coming years.

RISKS AND CONCERNS

The major risk for the company is the China price mechanism, which is still worrisome for the Company. Dumping/selling at lower rate by China in the current scenario makes it difficult for the Company to improve margins. Company along with other players of the same industry contemplating on this issue and hopeful for resolution of the matter with concerned authorities.

Costs control measures, enhanced productivity, improved efficiency and expansion are key parameters to maintain competitiveness and these are being pursued by the Management of the company. Customer satisfaction is the key focus area for the Company. Frequent visits to customers, customer engagements, encouraging customers to visit our plant, creating local contact network to attend to daily needs of customers, customers rating of our product and service etc. help us to achieve set targets through creation of trust in product and service quality.

FINANCIAL AND OPERATIONAL PERFORMANCE

During the year 2023-24, the volume was 17,895 MTPA and our current capacity utilization blended basis stands at 76%. Revenue from operations for FY2023-24 is Rs. 30,204.70 Lakhs as compared to Rs. 33,467.86 Lakhs for FY2022-23, de-growth of 10%. However, in terms of earnings, the performance of the Company for the financial year 2023-24 remains down to Rs. (1867.73) lakhs. This is mainly on account of sluggishness prevailing in the both sectors. i.e. Dye Intermediates and Pigments throughout the year.

ANNEXURE F TO DIRECTORS' REPORT

Below are the Financial Figures for the financial year 2023-24.

(₹ in Lakhs)

Particulars	2023-24	2022-23
Revenue from operations	30,204.70	33,467.86
Other Income	44.87	15.17
Total Income	30,249.57	33,483.03
Profit for the year before Finance Costs, Depreciation, Exceptional Items and Tax Expenses	194.80	1,556.44
Less: Finance Costs	372.67	321.50
Profit for the year before Depreciation, Exceptional Items and Tax Expenses	(177.87)	1,234.94
Less: Depreciation	1,378.32	1,284.84
Profit for the year before Exceptional Items and Tax Expenses	(1,556.19)	(49.90)
Add/(Less): Exceptional Items	0.00	0.00
Profit for the year before Tax Expenses	(1,556.19)	(49.90)
Less: Current Tax	0.00	0.00
Less: Deferred Tax	311.54	44.31
Less: Adjustment of tax for earlier years (Net)	0.00	0.00
Net Profit for the year	(1,867.73)	(94.21)

IMPORTANT RATIOS (Changes with respect to the Previous Year)

(₹ in Lakhs)

Ratio	2023-24	2022-23
Debtors Turnover Ratio (Days)	50	49
Inventory Turnover Ratio (Days)	75	72
Interest Coverage Ratio (Times) ¹	(3.73)	0.82
Current Ratio ²	1.59	2.25
Debt Equity Ratio ³	0.20	0.09
Operating Margin Ratio (%)	12	14
Net Profit Margin PBT (%) ⁴	(5.20)	(0.10)
Return on Net Worth (%) ⁵	(7.21)	(0.34)

¹Interest Coverage Ratio has reduced due to decrease in EBIT.

²Current Ratio decreased due to increase in current liability.

³Debt Equity Ratio increased due to higher borrowings.

⁴Net Profit Margin reduced due to decrease in overall margin.

⁵Return on Net Worth has decreased due to net loss.

CERTIFICATIONS

The certification of ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 is a testimony to the Company's commitment towards quality, sustainable environment friendly approach and occupation, health & safety.

Further, The Company is having the certificate for registration of trademark from the Registrar of Trade Marks, Trade Marks Registry, Gujarat for its logo i.e. Aksharchem and its products Pigment Green 7 and Precipitated Silica i.e. Asaflow and Aksil respectively.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board has adopted policies and procedures to ensure the orderly and efficient conduct of its business, including but not limited to the prevention and detection of frauds and errors, the safeguarding of its assets, the accuracy and completeness of the accounting records, adherence to the company's policies, periodical review of financial performance of Company and review of the accounts every quarter by Statutory Auditors.

HUMAN RESOURCES DEVELOPMENT

Engaged employees are more motivated, productive, and committed to their work, leading to improved outcomes. Here are some common employee engagement initiatives undertaken by companies in the HE sector: Companies establish effective communication channels to ensure transparent and open lines of communication between management and employees, which includes motivational programs that are arranged on a quarterly basis. We offer opportunities for career advancement, skill-building, and cross-functional experiences. We value employee feedback and often conduct internal meetups to assess employee satisfaction, engagement, and overall organizational climate. We implement recognition and reward programs to acknowledge and appreciate the efforts and achievements of their employees.

The Management of the Company mainly focus on Learning and development by following and maintaining certain specifications such as encouraging professional development by involving employees on a daily interaction by team meetings in group as well as one to one so each employee can express and we as an

ANNEXURE F TO DIRECTORS' REPORT

organization can develop them by the conclusions we come up with in such interactions, and by maintaining training schedules as per marking their growth and work quality inputs which we register from the specific department. And the management strongly believes in maximum knowledge sharing through discussions, presentations, and weekly tasks.

The Board of Directors had admired the efforts put in by all employees to achieve good performance and looks forward to its

continuation.

Cautionary Statement

Statements in this report on describing the Company's objectives, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however differ materially from those expressed or implied.

The Company assumes no responsibility in respect of the forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

ANNEXURE G TO DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE

The Directors present a detail report on Corporate Governance for the financial year ended March 31, 2024 as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Aksharchem (India) Limited is committed to doing business in an efficient, responsible and ethical manner. Corporate Governance practice ensures transparency, integrity and accountability in its functioning. The Company constantly endeavor for the best corporate governance and for complete satisfaction of all its shareholders.

Our governance practice is to build the trusts between the Company and its stakeholders viz. shareholders, customers, suppliers and employees. The Company believes that Corporate Governance is a prerequisite for attaining sustained growth in this competitive world. In line with this philosophy, your company continuously strives for excellence through timely compliances and maximum disclosure of information to investors.

2. BOARD OF DIRECTORS

The Board of Directors along with its committees provides leadership and guidance to the Company's management and supervises the Company's performance. The Board also provides strategic guidance and independent view to the Company's senior management which discharging its fiduciary responsibilities. As at March 31, 2024, the Board of Directors of your Company represents optimum combination of Executive and Non-Executive Directors with two women director and more than fifty percent of the Board of Directors comprised of Non-Executive Directors. The Chairperson of the Board is an Executive Director and half of the board of directors is comprised of Independent Directors. The Board meets at least four times a year. In addition to the above, the Board also meets as and when necessary to address specific issues concerning to business of your Company. During the financial year 2023-24, the time gap between two Board Meetings did not exceed one hundred and twenty days. The Board of Directors periodically reviews compliance reports pertaining to all laws applicable to the Company. All Statutory and other matters of significance including information as mentioned in Part A of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company. The Chairperson & Managing Director and Joint Managing Director & CEO of the Company looks after the day-to-day business affairs of the Company, the Board of Directors reviews the overall business operations at least once in quarter based on updates on the Company's performance provided by the Chairperson & Managing Director/Joint Managing Director & CEO.

2.1 Composition and category of Directors

The Company has a balanced mix of Executive and Non-Executive Directors. As at March 31, 2024, the total strength of the Board of Directors of the Company was Eight (8) members including three executive directors and five non-executive directors and four of them are independent directors. There are three directors in whole time employment of the Company.

Mr. Gokul M. Jaykrishna is the Non-Executive – Non Independent director of the Company.

The composition of the Board is in conformity with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as the Companies Act, 2013.

Independent Directors

Mr. Gautam M. Jain, Dr. Pradeep Jha, Mr. Jigar M. Patel, and Ms. Maitri K. Mehta are independent directors of the Company.

The independent directors on the Board are senior, competent and highly respected persons from their respective fields. None of the Directors on the Board is a member of more than 10 committees and Chairman of more than five committees across all companies in which they are directors. The necessary disclosures regarding compliance have been made by the directors. The Board does not have any Nominee Director representing any institution.

1. None of the Independent Directors of the Company had any material pecuniary relationship or transactions with the Company, its promoter, its management during the Financial year 2023-24, which may affect independence of the Independent Directors.
2. None of the Directors on the Board hold directorship in more than ten public Companies. None of the Independent Directors serve as an Independent director in more than Seven Listed Entities. Necessary Disclosures regarding Committee positions in other public Companies as on 31st March 2024 have been made by the Directors.
3. All Directors mentioned above as Independent Directors, they fall within the expression of "Independent Directors" as mentioned in regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. The Independent Directors of the Company fully meet the requirements laid down under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has received a declaration from each of the Independent Directors confirming compliance with the criteria of Independence as laid down under this regulation as well as Section 149(6) of the Companies Act, 2013.
5. In terms of Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, All Independent Directors have confirmed that they are not aware of any circumstances or Situation which exists or may be reasonably anticipated that could impair or Impact their ability to discharge their duties.
6. In accordance with the relevant clauses/regulations of the Listing agreement and/or Listing Regulations, the Company has issued formal Letter of Appointment to all Independent Directors. The terms and Conditions of their appointment have also been disclosed on the website of the Company.
<https://www.aksharchemindia.com/uploads/report/85016578830273a.pdf>.
7. During the year under review, none of the Independent directors of the Company had resigned before the expiry of their respective tenure(s).

ANNEXURE G TO DIRECTORS' REPORT

2.2 Details of Category of Directors, Attendance of each director at the meeting of Board of Directors and their attendance in last Annual General Meeting

Sr. No.	Name of Members	DIN	Promoter/ Non-Promoter	Category*	Attendance in Board Meetings held on				No. of Meetings Attended	Attended in A.G.M. 27.09.2023
					30.05.2023	10.08.2023	07.11.2023	30.01.2024		
1.	Mrs. Paru M. Jaykrishna	00671721	Promoter	CMD	✓	✓	✓	✓	4	Yes
2.	Mr. Munjal M. Jaykrishna	00671693		Jt. MD & CEO	✓	✓	✓	✓	4	Yes
3.	Mr. Gokul M. Jaykrishna	00671652		NED	✓	✓	✓	✓	4	Yes
4.	Mr. Gautam M. Jain	00160167	Non-Promoter	ID	✓	✓	✓	✓	4	Yes
5.	Mr. Jigar M. Patel	05291605		ID	✓	✓	✓	✓	4	No
6.	Dr. Pradeep Jha	01539732		ID	✓	✓	✓	✓	4	Yes
7.	Ms. Maitri K. Mehta	07549243		ID	✓	✓	✓	✓	4	Yes
8.	Mr. Ashok D. Barot	08366687		ED	✓	✓	✓	x	3	Yes

* CMD – Chairperson & Managing Director; Jt. MD & CEO – Joint Managing Director & Chief Executive Officer; ID – Independent Director; ED – Executive Director; NED – Non-Executive Director

2.3 Details of Number of other Board of Directors or Committees in which a Director is a Member or Chairperson

Name of Members	Designation*	No of Directorship in listed entities including this listed entity	No of Independent Directorship in listed entities including this listed entity	Number of memberships in Audit / Stakeholder Committee(s) including this listed entity		Directorship in other listed entity–Category of Directorship
				Chairman	Member	
Mrs. Paru M. Jaykrishna	CMD	2	-	-	1	Asahi Songwon Colors Limited – CMD
Mr. Munjal M. Jaykrishna	Jt. MD & CEO	2	-	-	-	Asahi Songwon Colors Limited – Director
Mr. Gokul M. Jaykrishna	NED	2	-	-	-	Asahi Songwon Colors Limited – JMD
Mr. Gautam M. Jain	ID	2	1	-	-	Metroglobal Limited – MD
Mr. Jigar M. Patel	ID	1	1	-	2	N.A.
Dr. Pradeep Jha	ID	2	2	4	-	Asahi Songwon Colors Limited – Director
Ms. Maitri K. Mehta	ID	3	3	-	3	Gujarat Ambuja Exports Limited– Independent Director Dishman Carbogen Amcis Limited – Independent Director
Mr. Ashok D. Barot	ED	1	-	-	-	N.A.

* CMD – Chairperson & Managing Director; Jt. MD & CEO – Joint Managing Director & Chief Executive Officer; ID – Independent Director; ED – Executive Director; NED – Non-Executive Director

ANNEXURE G TO DIRECTORS' REPORT

2.4 Details of the shares held by non-executive directors at 31.03.2024:

Name	Designation*	Number of Equity shares
Mr. Gokul M. Jaykrishna	NED	0
Mr. Gautam M. Jain	ID	0
Mr. Jigar M. Patel	ID	0
Dr. Pradeep Jha	ID	0
Ms. Maitri K. Mehta	ID	0

* ID - Independent Director; NED – Non-Executive Director

2.5 Number of Meetings of the Board of Directors held and dates on which held:

During the financial year 2023-24, Four (4) meetings of the Board of Directors were held on 30.05.2023, 10.08.2023, 07.11.2023, 30.01.2024. The maximum time gap between two meetings did not exceed one hundred and twenty days. All the Directors have periodically and regularly informed the Company about their Directorship and Membership on the Board/Committees of the Board of other companies. As per the disclosure received, none of the Directors of your Company hold memberships/Chairmanships more than the prescribed limits across all companies in which he/she is a Director.

Board Procedures

The dates for meetings of the Board of Directors and its Committees are scheduled in advance and published as a part of the Annual Report. The Agenda and the explanatory notes are circulated well in advance to the Directors in accordance with the Secretarial Standards.

The Board has complete access to any information within your Company which includes the information as specified in Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Regular updates provided to the Board, inter alia, include:

- Annual operating plans and budgets and any updates;
- Capital budgets and any updates;
- Quarterly financial results for your Company and its operating divisions;
- Minutes of meetings of Committees of the Board of Directors;
- The information on recruitment and remuneration of Senior Management Personnel just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material defaults in financial obligations to and by the Company;
- Any issue, which involves possible public or product liability claims of substantial nature;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Any significant labour problem involving human resource

management;

- Sale of a material nature or of investments, subsidiaries and assets which are not part of the normal course of business;
- Details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend; and
- Any other information which is relevant for decision making by the Board.

2.6 Disclosure of relationships between Directors inter-se:

Mrs. Paru M. Jaykrishna, Chairperson & Managing Director of the Company is the mother of Mr. Munjal M. Jaykrishna, Joint Managing Director & CEO of the Company and Mr. Gokul M. Jaykrishna, Non-Executive Director of the Company. Mr. Munjal M. Jaykrishna, Joint Managing Director & CEO and Mr. Gokul M. Jaykrishna, Non Executive Director are brothers. Other than Mrs. Paru M. Jaykrishna, Mr. Munjal M. Jaykrishna and Mr. Gokul M. Jaykrishna, none of the directors are related to any other directors.

2.7 Shareholding of Non-Executive Directors

None of the Non-Executive Directors of the Company are holding any shares in the Company as on March 31, 2024.

2.8 Familiarisation Programme:

Your Company has put in place a well structured induction and familiarisation programme for all its directors including independent directors of the Company. They are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plant (based on predefined factory rating parameters), Product Category and Corporate Function from time to time. The entire Board including Independent Directors has access to Production Heads/ Factory Heads and other commercial/technical staff, wherever required for informed decision making. Detailed agenda are sent well in advance to all the Directors in order for the Board to perform its function and fulfill its role effectively. The details regarding Independent Directors' Familiarisation Programme is available on Company's website at <https://www.aksharchemindia.com/uploads/report/9261711426395Familiarisation%20Programme%20for%20Independent%20Directors.pdf>.

2.9 Matrix Setting Out Skills of Board of Directors:

The list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board.

- 1 Technical skills- Chemical Industry
- 2 Business operation and management
- 3 Research and Development
- 4 Project Management
- 5 Risk Management
- 6 Quality and Performance management
- 7 Board and Governance
- 8 Strategic planning
- 9 Global Market Awareness
- 10 Finance, Accounting, Auditing
- 11 Indian Corporate Laws and Compliance Global Corporate Laws and Compliance
- 12 Safety management
- 13 Stakeholder Engagement
- 14 Merger and acquisitions
- 15 Government and Government/ industrial policy which impact to Chemicals business sector
- 16 Market Awareness of Chemicals Product (Domestic as well as International) awareness of Demand, Supply and Price of Chemicals products
- 17 Business Ethics as well as Corporate Ethics
- 18 Human Resources Management and labour Relations/ Labour Laws

The current composition of the Board meets the requirements of skills, expertise and competencies as identified above.

Name of Board Members and Designation	Mrs. Paru M. Jaykrishna CMD	Mr. Munjal M. Jaykrishna Jt. MD & CEO	Mr. Gokul M. Jaykrishna NED	Mr. Gautam M. Jain ID	Mr. Jigar M. Patel ID	Dr. Pradeep Jha ID	Ms. Maitr K. Mehta ID	Mr. Ashok D. Barot ED
Technical skills-Chemical Industry	✓	✓	✓	✓	-	-	-	✓
Business operation and management	✓	✓	✓	✓	-	-	-	✓
Research and Development	✓	✓	✓	✓	-	-	-	✓
Project Management	✓	✓	✓	✓	-	-	-	-
Risk Management	✓	✓	✓	✓	-	-	-	✓
Quality and Performance management	✓	✓	✓	✓	-	-	-	✓
Board and Governance	✓	✓	✓	✓	✓	✓	✓	✓
Strategic planning	✓	✓	✓	✓	✓	✓	✓	✓
Global Market Awareness	✓	✓	✓	✓	✓	✓	✓	✓
Finance, Accounting, Auditing	✓	✓	✓	✓	✓	✓	✓	-
Indian Corporate Laws and Compliance Global Corporate Laws and Compliance	✓	-	-	✓	✓	-	✓	-
Safety management	✓	✓	✓	✓	-	-	-	✓
Stakeholder Engagement	✓	✓	-	-	✓	✓	✓	-
Merger and acquisitions	✓	✓	✓	✓	-	-	-	-
Government and Government/ industrial policy which impact to Chemicals business sector	✓	✓	✓	✓	-	-	-	-
Market Awareness of Chemicals Product (Domestic as well as International) awareness of Demand, Supply and Price of Chemicals products	✓	✓	✓	✓	-	-	-	✓
Business Ethics as well as Corporate Ethics	✓	✓	✓	✓	✓	✓	✓	✓
Human Resources Management and labour Relations/ Labour Laws	✓	-	-	-	✓	✓	✓	-

CMD – Chairperson & Managing Director; Jt. MD & CEO – Joint Managing Director & Chief Executive Officer; ID - Independent Director; ED – Executive Director; NED – Non-Executive Director

ANNEXURE G TO DIRECTORS' REPORT

2.10 Recording minutes of proceeding of Board and Committee meetings

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting or in the next Board Meeting.

2.11 Post Meeting Follow-up

The Important decisions taken at Board/ Committee meetings are communicated promptly to the concerned departments. Action taken report on decisions of the previous meeting(s) is placed at the succeeding meeting of the Board/Committees for noting.

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s) ensure to adhere to all applicable laws and regulations including the Companies Act, 2013 read with rules thereunder and Secretarial Standard issued by the Institute of Company Secretaries of India.

2.12 Reappointment of Director liable to retire by rotation

Mrs. Paru M. Jaykrishna and Mr. Gokul M. Jaykrishna shall retire by rotation at the ensuing Annual General Meeting of the Company and being eligible is considered for reappointment. Their brief profile are annexed to the notice of the Annual General Meeting.

2.13 Evaluation of Board

The Board of Directors of the Company is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning. To that end, the Nomination and Remuneration Committee has established processes for performance evaluation of Independent Directors, the Board and Committees of the Board.

Pursuant to the provisions of the Act, and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of its committees as well as the Directors individually. A structured evaluation was carried out based on various parameters such as skills and experience to perform the role, level of participation, contribution to strategy, degree of oversight, professional conduct and independence.

2.14 Code of Conduct

The Board has formulated Code of Conduct for all Board members and senior management level employees of the Company. Requisite annual affirmations of compliance with the Code have been made by the Board member and senior management level employees for the financial year 2023-24. Annual Declaration by the Chairperson & Managing Director to this effect is annexed at the end of this report.

2.15 Separate Meeting of Independent Directors

The Independent Directors of your Company have been appointed for a tenure of 5 (five) years from the date of their appointment. During the reporting financial year, a separate Meeting of the Independent Directors of the company was held on January 30, 2024, whereat the following items as enumerated under Schedule IV to the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were discussed:

- a) Review of performance of Non-Independent Directors and the Board as a whole;

- b) Attend the Familiarisation Programme organized by the Company on regular basis.
- c) Review of performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- d) Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

3 COMMITTEES OF THE BOARD

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board as a part of good corporate governance practice. The Board supervises these committees and minutes of the all committees are placed before the board for review. Currently there are Four (4) committees of the Board.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility (CSR) Committee

3.1 Audit Committee

The Audit Committee is, inter alia, entrusted with the responsibility to monitor the financial reporting, audit process, determine the adequacy of internal controls, evaluate and approve transactions with related parties, disclosure of financial information and recommendation of the appointment of Statutory Auditors, Internal Auditors and Secretarial Auditors.

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The members of the Audit Committee are financially literate and have experience in financial management. The Committee invites the Managing Directors, CFO, Company Secretary, Statutory Auditor and Internal Auditor to attend the meetings of the Committee.

The Audit Committee meets the Statutory Auditors and the Internal Auditor independently without the management at least once in a year.

A. Brief description of terms of reference:

The terms of reference of the Audit Committee are as per the governing provisions of Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part C of Schedule II). The brief of terms of reference of the Audit Committee are as under:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, 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;

ANNEXURE G TO DIRECTORS' REPORT

- b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting

E. Meeting and Attendance during the year

Sr. No.	Name of Members	Attendance in Audit Committee Meetings held on			
		30.05.2023	10.08.2023	07.11.2023	30.01.2024
1.	Dr. Pradeep Jha	✓	✓	✓	✓
2.	Mr. Jigar M. Patel	✓	✓	✓	✓
3.	Ms. Maitri K. Mehta	✓	✓	✓	✓

3.2. Nomination and Remuneration Committee

The constitution and terms of reference of nomination and remuneration committee of the Company are in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A. Brief description of terms of reference:

The Nomination and Remuneration Committee determines on behalf of the Board and on behalf of the Shareholders, the Company's policy governing remuneration payable to the Whole-time Directors as well as the nomination and appointment of Directors.

The terms of reference of the Nomination and Remuneration Committee are as per the governing provisions of Section 178 of

structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of chief financial officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Considering such other matters the Board may specify;
21. Reviewing other areas that may be brought under the preview of role of Audit Committee as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

B. Composition, Name of Members and Chairman

The Audit Committee comprises of three Non Executive Independent Directors as members. All members of the Audit Committee are financially literate and a majority having accounting or financial management expertise. The Committee comprises of following directors:

1.	Dr. Pradeep Jha	Chairman
2.	Mr. Jigar M. Patel	Member
3.	Ms. Maitri K. Mehta	Member

C. Secretary

The Company Secretary acts as secretary to the committee.

D. Meeting and Quorum

The committee meets as and when required. The quorum for the meeting is two members.

the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II). The Nomination and Remuneration Committee is empowered with the following terms of reference and responsibilities in accordance with the provisions of law and the Nomination and Remuneration Policy:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Director and the Board of Directors;

ANNEXURE G TO DIRECTORS' REPORT

3. Devising a policy on Board Diversity;
4. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
5. Carry out the evaluation of every director's performance and formulate criteria for evaluation of Independent Directors, Board/Committees of Board and review the term of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors;
6. To extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors;
7. Reviewing and recommending to the Board, the

E. Meeting and Attendance during the year

Sr. No.	Name of Members	Attendance in Nomination and Remuneration Committee Meetings held on			
		30.05.2023	10.08.2023	07.11.2023	30.01.2024
1.	Dr. Pradeep Jha	✓	✓	✓	✓
2.	Mr. Jigar M. Patel	✓	✓	✓	✓
3.	Ms. Maitri K. Mehta	✓	✓	✓	✓

F. Performance Evaluation of Directors

A performance evaluation of each independent director of the Company was done by the Board of Directors. The attendance, participation and contribution of each independent directors during the proceedings of meeting was considered. The knowledge, experience and advice shared by the Independent Directors from time to time have ensured governance and good conduct, adherence to laws, mitigating risks and growth.

3.3. Stakeholders Relationship Committee

The constitution and terms of reference of Stakeholders Relationship Committee of the Company are in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference and other details of the committee is as follows:

A. Terms of Reference

The Committee approves the matters relating to:

1. Oversee and review all matters connected with the transfer of the Company's securities.
2. Monitor redressal of investors' / shareholders' / security holders' grievances.
3. Oversee the performance of the Company's Registrar and Transfer Agents.

E. Meeting and Attendance during the year

Sr. No.	Name of Members	Attendance in Stakeholders Relationship Committee Meetings held on			
		30.05.2023	10.08.2023	07.11.2023	30.01.2024
1.	Dr. Pradeep Jha	✓	✓	✓	✓
2.	Mr. Jigar M. Patel	✓	✓	✓	✓
3.	Ms. Maitri K. Mehta	✓	✓	✓	✓

remuneration, payable to Directors of the Company; and

8. Undertake any other matters as the Board may decide from time to time.

B. Composition, Name of Members and Chairman

The members of the Nomination and Remuneration Committee are three (3) Non-Executive Independent Directors:

The Committee comprises of following directors:

1.	Dr. Pradeep Jha	Chairman
2.	Mr. Jigar M. Patel	Member
3.	Ms. Maitri K. Mehta	Member

C. Secretary

The Company Secretary acts as secretary to the committee.

D. Meeting and Quorum

The committee meets as and when required. The quorum for the meeting is two members.

4. Recommend methods to upgrade the standard of services to investors.

5. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

The Compliance Officer is entrusted with the responsibility to specifically look into the redressal of the shareholders and investors complaints and report the same to the Stakeholders Relationship Committee.

B. Composition of the Committee

The members of the Stakeholders' Relationship Committee are three (3) Non-Executive Independent Directors:

The Committee comprises of following directors:

1.	Dr. Pradeep Jha	Chairman
2.	Mr. Jigar M. Patel	Member
3.	Ms. Maitri K. Mehta	Member

C. Secretary

The Company Secretary acts as secretary to the committee.

D. Meeting and Quorum

The committee meets as and when required. The quorum for the meeting is two members.

ANNEXURE G TO DIRECTORS' REPORT

F. Details of Shareholders Complaints

Number of complaints received and resolved to the satisfaction of Stakeholders Relationship Committee during the year under review is below:

Number of complaints at the beginning of the Year	: 2
Number of complaints received during the year	: 27
Number of complaints solved during the year	: 29
Number of pending complaints at the end of the year	: 0

G. Compliance Officer

Mr. Mehul C. Naliyadhara, Company Secretary & Compliance Officer is entrusted with the responsibility to specifically look into the redressal of the shareholders' and investors' complaints and report the same to the Stakeholder's Relationship Committee.

3.4. Corporate Social Responsibility (CSR) Committee

The Company has constituted a Corporate Social Responsibility Committee as required under section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

A. Terms of Reference

The Committee looks into the matters relating to:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and rules made there under;
- To recommend the amount of expenditure to be incurred on CSR activities; and
- To monitor the implementation of framework of CSR policy.

E. Meeting and Attendance during the year

Sr. No.	Name of Members	Attendance in Corporate Social Responsibility Committee Meetings held on			
		30.05.2023	10.08.2023	07.11.2023	30.01.2024
1.	Mrs. Paru M. Jaykrishna	✓	✓	✓	✓
2.	Mr. Gautam M. Jain	✓	✓	✓	✓
3.	Ms. Maitri K. Mehta	✓	✓	✓	✓

4. PARTICULARS OF KEY MANAGERIAL PERSONNEL & SENIOR MANAGEMENT

The Key Managerial Personnel and Senior Management of the Company as on March 31, 2024 during the year are as under:

Name	Designation
Mrs. Paru M. Jaykrishna	Chairperson & Managing Director
Mr. Munjal M. Jaykrishna	Joint Managing Director & CEO (KMP)
Mr. Hardik Shah	Chief Financial Officer (KMP)
Mr. Meet J. Joshi*	Company Secretary & Compliance Officer (KMP)
Mr. Mehul C. Naliyadhara*	Company Secretary & Compliance Officer (KMP)
Mr. Ashok D. Barot	Executive Director
Mr. Sachin M. Jaykrishna	President Silica Dahej Unit
Mr. Rajesh Samal	General Manager (Works)
Mr. Sunil V. Rane	General Manager (Accounts)
Mr. Dakshesh N. Patel	General Manager (Marketing)
Ms. Bincy Mathew	General Manager Corporate HR Admin
Mr. Rajesh K. Patel	DGM – Production
Mr. Deval I. Suthar	DGM – Accounts & Finance

* Mr. Meet J. Joshi, resigned from the post of Company Secretary & Compliance Officer, w.e.f. 17th November, 2023 and Mr. Mehul C. Naliyadhara, appointed as Company Secretary & Compliance Officer, w.e.f. January 30, 2024

- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may applicable or as may be necessary or appropriate for performance of its duties.

The Company has formulated a CSR Policy in line with Schedule VII of the Act. The CSR activities shall be focused not just around the plants and offices of the Company, but also in other geographies based on the needs of the communities. The key focus areas where special Community Development programmes are run are as below:

- Eradicating hunger, poverty and malnutrition;
- Promoting health care including preventive health care;
- Ensuring environmental sustainability;
- Promotion of education;

The formal CSR policy of the Company is available on the website of the Company at <https://www.aksharchemindia.com/uploads/report/8181629881358Policy%20on%20CSR.pdf>. The details of the Corporate Social Responsibility Policy of the Company have also been disclosed in the Directors' Report section of the Annual Report.

B. Composition of the Committee

The Committee comprises of following directors:

1.	Mrs. Paru M. Jaykrishna	Chairperson
2.	Mr. Gautam M. Jain	Member
3.	Ms. Maitri K. Mehta	Member

C. Secretary

The Company Secretary acts as secretary to the committee.

D. Meeting and Quorum

The committee meets as and when required. The quorum for the meeting is two members.

ANNEXURE G TO DIRECTORS' REPORT

5. REMUNERATION OF DIRECTORS

5.1 Remuneration policy, details of remuneration and other terms of appointment of directors

The remuneration policy of the Company is directed towards rewarding performance based on review of achievements on a period basis.

5.2 Details of remuneration paid to Executive Directors

Mrs. Paru M. Jaykrishna, Chairperson & Managing Director of the Company, Mr. Munjal M. Jaykrishna, Joint Managing Director & CEO of the Company and Mr. Ashok Barot, Director are the Executive Directors on the Board. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors decides and approves the remuneration payable to them within the ceiling fixed by the shareholders as per the Resolution passed at the General Meeting.

Details of the remuneration paid to the Executive Directors are as below:

Name of Directors	Business relationship with the Company	Remuneration during the year 2023-24*
Mrs. Paru M. Jaykrishna	Chairperson & Managing Director	60.00
Mr. Munjal M. Jaykrishna	Joint Managing Director & CEO	91.27
Mr. Ashok Barot	Executive Director	17.26
Total		168.53

*Inclusive of PF Contribution, Perquisites, Sitting Fees, medical reimbursement, reimbursement of expenses, etc and remuneration does not include the provision made for gratuity as they are determined on an actuarial basis for the company as a whole.

5.3 Service Contract, Severance Fees and Notice Period:

The appointment of the Managing Director & Executive Director is governed by Articles of Association of the Company and the resolution passed by Board of Directors and the members of the Company. These cover terms and condition of such appointment. No separate service contract is entered into by the Company with Managing Directors & Executive Director. There is no separate provision for payment of Severance fees under the resolution governing the appointment of the Managing Directors & Executive Director.

5.4 Stock Option details, if any

The Company does not have any stock option plan for the Executive Directors.

5.5 Pecuniary Relationship of the Non-Executive Independent Directors with the listed entity

Non-Executive Independent Directors were paid sitting fees for attending the Board Meeting and Committee Meetings, except to Mr. Gautam M. Jain who has voluntarily consented not to avail any benefits including sitting fees from the Company. None of the Non-executive Independent directors had any pecuniary relationship with the Company during the year.

6. ANNUAL GENERAL MEETINGS

6.1 Details of location, time and date of last three Annual General Meeting are given below:

Financial Year	AGM/EGM	Date	Time	Location/ Venue	No. of Special Resolution Passed
2022-23	34th AGM	27.09.2023	12.00 Noon	At the Registered Office of the Company	1
2021-22	33rd AGM	28.09.2022	11.00 a.m.	At the Registered Office of the Company	3
2020-21	32nd AGM	28.09.2021	02.00 p.m.	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)	2

Details of Special Resolutions passed in the last three years at Annual General Meetings

AGM/EGM	Particulars of Special Resolutions Passed
34th AGM	1. Private Placement of Non-Convertible Debentures and/or Other Debt Securities.
33rd AGM	1. Re-appointment of Mr. Jigar M. Patel (DIN: 05291605) as Independent Director of the Company. 2. Approval for maintaining and keeping the Company's registers required to be maintained under Section 94 of the Companies Act, 2013 and copies of annual returns filed under Section 92 of the Companies Act, 2013 or any one or more of them, at a place other than Company's registered office. 3. Private Placement of Non-Convertible Debentures and/or Other Debt Securities.
32nd AGM	1. Re-appointment of Mrs. Paru M. Jaykrishna (DIN: 00671721), as Chairperson & Managing Director of the company. 2. Private Placement of Non-Convertible Debentures and/or Other Debt Securities.

6.2 Extra Ordinary General Meeting

No Extra Ordinary General Meeting was held during the Financial Year 2023-24.

ANNEXURE G TO DIRECTORS' REPORT

6.2 Extra Ordinary General Meeting

No Extra Ordinary General Meeting was held during the Financial Year 2023-24.

6.3 Postal Ballot

The Company sought approval of the shareholders by way of postal ballot, through Notice dated January 30, 2024, on the following Special and Ordinary Resolutions:

Sr. No.	Type of Resolution(s)	Description of Resolution(s)
1.	Special	Re-appointment of Mr. Munjal M. Jaykrishna (DIN: 00671693) as Joint Managing Director & CEO of the Company
2.	Special	Re-appointment of Mr. Ashok D. Barot (DIN: 08366687) as an Executive Director of the Company
3.	Special	Re-appointment of Ms. Maitri K. Mehta (DIN: 07549243) as an Independent Director of the Company
4.	Ordinary	Approval of remuneration of related party, Mr. Sachin M. Jaykrishna, holding office or place of profit

The Board of Directors of the Company had appointed Mr. Bipin L. Makwana (Membership No. A15650), Practicing Company Secretary, as the Scrutiniser to scrutinise the remote e-Voting process in a fair and transparent manner.

The remote e-Voting period commenced on February 17, 2024 at 9:00 a.m. (IST) up to March 17, 2024 at 5:00 p.m. (IST). The consolidated report on the result of the postal ballot through remote e-Voting for approving aforementioned resolutions was provided by the Scrutiniser on March 17, 2024.

The details of the e-Voting on the aforementioned resolutions(s) are provided hereunder:

Particulars	In favour			Against		
	Total No. of members voted	No. of votes in favour	%	Total No. of members voted	No. of votes against	%
Special Resolution Re-appointment of Mr. Munjal M. Jaykrishna (DIN: 00671693) as Joint Managing Director & CEO of the Company	87	5111881	99.98	8	1268	0.02
Special Resolution Re-appointment of Mr. Ashok D. Barot (DIN: 08366687) as an Executive Director of the Company	87	5111989	99.98	8	1160	0.02
Special Resolution Re-appointment of Ms. Maitri K. Mehta (DIN: 07549243) as an Independent Director of the Company	87	5111989	99.98	8	1160	0.02
Ordinary Resolution Approval of remuneration of related party, Mr. Sachin M. Jaykrishna, holding office or place of profit	81	5110525	99.95	14	2624	0.05

All above Resolutions were passed with requisite majority through postal ballot (remote e-voting) procedure.

Procedure for Postal Ballot:

Company conducts a postal ballot, where required, in accordance with the applicable provisions of the Companies Act, 2013 and the Rules made thereunder and applicable regulations of the SEBI Listing Regulations.

6.4 Special Resolution proposed to be conducted through postal ballot

None of the businesses proposed to be transacted in the ensuing AGM requires the passing of a special resolution through Postal Ballot.

7. MEANS OF COMMUNICATION

7.1 Publication of Financial Result in newspapers

The quarterly, half-yearly & nine months un-audited financial results and annual audited results of the Company are

generally published in national and local dailies such as "Business Standard" in English and "Jai hind" in Gujarati.

7.2 Website and News Release

The quarterly, half-yearly & nine months unaudited financial results and annual audited results and Annual Reports of the Company are available on the website of the Company i.e. www.aksharchemindia.com. Official news releases, detailed presentations made to media, analysts, institutional investors, etc, if any are available on the website of the Company i.e. www.aksharchemindia.com. Your Company also makes timely disclosure of necessary information to BSE Limited and National Stock Exchange of India Ltd in terms of the SEBI Listing Regulations and other rules and regulations issued by the Securities and Exchange Board of India.

WEBLINKS:

The Company has disclosed all the information stipulated under Regulation 46 and other applicable regulations of the

ANNEXURE G TO DIRECTORS' REPORT

SEBI Listing regulations. The same can be accessed at the website of the Company; viz. www.aksharchemindia.com. The Company's website contains separate dedicated section for investors, where shareholder information is available.

7.3 Channel of communication

All price sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. All periodical submission to the Exchanges like shareholding pattern, corporate governance report, among others are made through the respective electronic filing systems. Material events or information as detailed in Regulation 30 of the SEBI Listing Regulations are disseminated on the Stock Exchanges by filing them with the National Stock Exchange of India Ltd (NSE) through NEAPS and with BSE Limited (BSE) through the BSE Listing Centre. They are also displayed on the website of the Company www.aksharchemindia.com.

7.4 SEBI Complaints Redress System (SCORES)

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

7.5 E-voting

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Company provides e-voting facility to its shareholders, in respect of all resolutions proposed to move at General Meetings as well as through postal ballot from time to time.

8. GENERAL SHAREHOLDER'S INFORMATION

8.1 Annual General Meeting

Day, Date, Time & Venue	Monday, 30th September, 2024 at 10:30 A.M. at the Registered Office of the Company situated at "Akshar House", Chhatral-Kadi Road, Indrad - 382 715, Mahesana, Gujarat
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8.2 Financial Year Calendar (2024-25) (Tentative)

Financial Year	April 1, 2024 to March 31, 2025
Annual General Meeting	August/ September, 2025
First Quarter Results	On or before August 14, 2024
Half Yearly Results	On or before November 14, 2024
Third Quarter Results	On or before February 14, 2025
Audited Results for the year 2024-25	On or before May 30, 2025

8.3 Dividend

The Board of Directors in their meeting held on May 29, 2024 has recommended a final dividend of Rs.0.50/- (5%) per equity share for the Financial Year 2023-24. The dividend on equity shares for the financial year ended March 31, 2024, if approved by the members at the ensuing Annual General Meeting will be paid within 30 days of declaration by members.

- to all those shareholders holding shares in physical and whose names appear in Company' Register of Members as on Monday, September 23, 2024.
- to all those beneficial owners holding shares in electronic

mode, as per the ownership data made available to the Company by National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the end of the day on Monday, September 23, 2024.

Date of Book Closure

Closure of Register of Members and Share Transfer Books: Tuesday, September 24, 2024 to Monday, September 30, 2024 (both days inclusive) on account of Annual General Meeting and payment of Final Dividend.

Payment of dividend through Automated Clearing House (ACH)

The Company provides the facility for direct credit of the dividend to the Members' Bank Account. Listing Regulations also mandate Companies to credit the dividend to the Members electronically. Members are therefore urged to avail of this facility to ensure safe and speedy credit of their dividend into their bank account through the Banks' "Automated Clearing House" mode. Members who hold shares in demat mode should inform their Depository Participant, whereas Members holding shares in physical form should inform the Company of the core banking account details allotted to them by their bankers. In cases where the core banking account details are not made available, the Company will issue the demand drafts mentioning the existing bank details available with the Company.

Transfer to Investor Education and Protection Fund (IEPF):

(i) Transfer of unclaimed dividend

Pursuant to Section 124 (5) of the Companies Act, 2013 dividend that are unclaimed/unpaid for a period of seven years are to be transferred statutorily to the Investor Education and Protection Fund (IEPF) administered by the Central Government. Members who have not encashed their dividend may approach the Company or Registrar and Share Transfer Agent. Members are requested to note the following due date(s) for claiming the unpaid or unclaimed dividend declared by the Company for FY 2016-17 and thereafter.

Dividend Year	Date of Declaration of Dividend	Due date of transfer to IEPF
2017-18 – Final	28/09/2018	26/10/2025
2018-19 – Final	30/09/2019	28/10/2026
2019-20 – Interim	11/03/2020	08/04/2027
2020-21 – Final	28/09/2021	26/10/2028
2021-22 – Final	28/09/2022	26/10/2029
2022-23 – Final	27/09/2023	25/10/2030

Members who have not encashed the dividend warrants so far in respect of the aforesaid period(s) are requested to make their claim to RTA well in advance of the above due dates.

(ii) Transfer of shares to IEPF

Pursuant to the provisions of Section 124 of the Act read with the IEPF Rules, all the shares on which dividends remain unpaid or unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority as notified by the Ministry of Corporate Affairs.

In addition, claims can also be made in respect of shares which have been transferred into the IEPF, as per the procedures/guidelines stated below:

Guidelines for Investors to file claim in respect of the Unclaimed Dividend or Shares transferred to the IEPF:

ANNEXURE G TO DIRECTORS' REPORT

- Shareholders are advised to verify their details like address, bank mandate, PAN, status of outstanding dividend(s), etc. from M/s. Link Intime India Private Limited, Company's Registrar and Transfer Agent, before filing an application with IEPF.
- By making an application in Web Form IEPF-5 online on the website <http://www.iepf.gov.in/IEPF/corporates.html> along with specified fees, if any and instructions for filling the form is given in the instruction kit of Web Form IEPF-5. Read the instructions provided on the website/ instruction kit along with the e-form carefully before filling the form.
- After filling the form, save it on your computer and submit the duly filled form by following the instructions given in the upload link on the website of IEPF. On successful uploading, an acknowledgement will be

generated indicating the SRN. Please note down the SRN details for future tracking of the form.

- Take a print out of the duly filled Form No. IEPF-5 and the acknowledgement issued after uploading the form.
- Submit an indemnity bond in original, copy of the acknowledgement and self-attested copy of e-form along with other documents as mentioned in the Form No. IEPF-5 to the Nodal Officer (IEPF) of the Company at its Registered Office in an envelope marked "Claim for refund of dividend from IEPF Authority" / "Claim for shares from IEPF" as the case may be. Kindly note that submission of original documents to the Company is necessary to initiate the refund process.
- Claim forms completed in all respects will be verified by the Company and on the basis of Company's Verification Report, refund will be released by the IEPF Authority in favour of claimants' Aadhar linked bank account through electronic transfer and/or the shares shall be credited to the demat account of the claimant, as the case may be.

8.4 Listing on Stock Exchanges

Stock Exchange	Address	ISIN	CIN of the Company	Scrip/ Stock Code	Listing Fees Paid for FY 2024-25 (Yes/No)
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001			524598	Yes
National Stock Exchange of India Ltd (NSE)	Exchange Plaza, Plot No. C/1, G Block, Bandra - Kurla Complex, Bandra (East), Mumbai – 400051	INE542B01011	L24110GJ1989PLC012441	AKSHARCHEM	Yes

8.5 Connectivity with Depository

The name and address of depositories are:

National Securities Depository Limited
Trade World, 4th Floor, "A" Wing
Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai – 400 013.

Central Depository Services (India) Limited
25th Floor, Marathon Futurex,
N M Joshi Marg, Lower Parel (East),
Mumbai – 400 013

The Annual Custodial fees for the financial year 2024-25 have been paid to National Securities Depository Ltd (NSDL) and Central Depository Services (India) Limited (CDSL).

8.6 Market Price Data – high, low during each month in last financial year

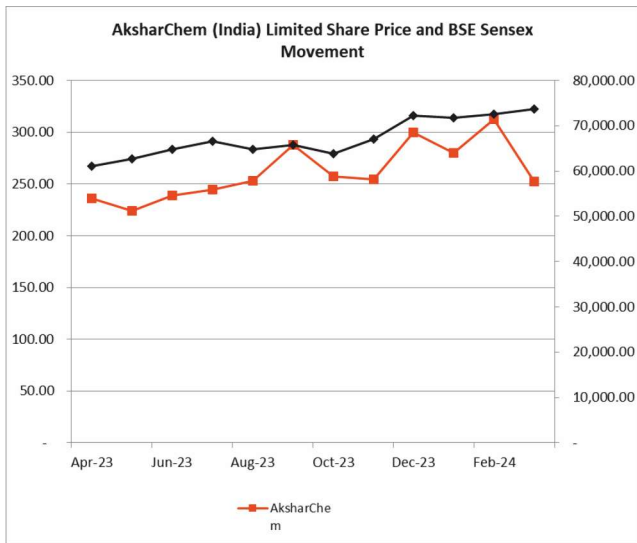
The monthly High, Low (based on closing prices) and volumes of the equity shares of the Company during each month in the year 2023-24 on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are given below:

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Volume (No. of Shares)	High (Rs.)	Low (Rs.)	Volume (No. of Shares)
Apr-23	250.00	207.05	15,421	250.00	206.45	97,124
May-23	273.90	220.05	15,888	239.20	220.05	1,23,788
Jun-23	276.00	223.45	27,312	258.90	224.10	2,30,015
Jul-23	254.60	233.85	98,839	254.00	234.45	2,25,878
Aug-23	272.00	230.00	53,379	275.00	231.25	3,90,848
Sep-23	317.70	242.45	1,15,841	318.00	242.50	8,65,775
Oct-23	293.20	246.05	35,490	294.65	249.00	1,77,883
Nov-23	260.00	242.10	24,267	262.95	244.95	1,21,519
Dec-23	329.85	249.10	95,456	321.95	248.75	8,63,200
Jan-24	303.20	265.65	87,749	304.20	266.15	6,15,331
Feb-24	364.80	260.00	1,61,936	365.50	259.00	20,30,352
Mar-24	360.00	251.50	68,228	360.00	251.00	5,60,372

ANNEXURE G TO DIRECTORS' REPORT

Performance of the Company' Equity Share vis-a-visa BSE Sensex during 2023-2024

The chart below provides the relative movement of the closing price of the Company's share and the BSE Sensex. The period covered is April 1, 2023 to March 31, 2024. The Management cautions that the stock movement shown in the chart should not be considered indicative of potential future stock price performance.



8.7 Suspension in trading of Securities of the Company

No such instances during the financial year 2023-24

8.8 Registrar and Share Transfer Agent

As the Company's shares are currently traded in dematerialized form, the transfers are processed and approved in the electronic form by NSDL / CDSL through their depository participants. Link Intime India Private Limited is the Common R&T Agent for both physical and dematerialised mode. All queries and requests relating to share transfers/transmissions may be addressed to our Registrar and Transfer Agent:

Mumbai Office

UNIT: AksharChem (India) Limited
C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083
Tel: 022-49186000
E-mail id: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Ahmedabad Branch Office

UNIT: AksharChem (India) Limited
5th Floor, 506-508, Amarnath Business Centre -1, (ABC-1),
Besides Gala Business Centre, Near St. Xavier's College Corner,
Off C. G. Road, Ellisbridge, Ahmedabad-380 006
Tel: 079-26465179/86/87
E-mail id: ahmedabad@linkintime.co.in
Website: www.linkintime.co.in

8.9 Reconciliation of Share Capital

As stipulated by SEBI, a Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited

(NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon are submitted to the Stock Exchanges. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

8.10 Share Transfer System

(i) Share Transfer System:

Trading in equity shares of the Company through recognized Stock Exchanges can be done only in dematerialised form. Transfers of these shares are done through the depositories with no involvement of the Company. The Registrar and Transfer Agent deal with Share Transfer both in Physical and dematerialized Mode. The transfers with respect to shares held in physical form are executed within 15 days from the receipt of documents, provided documents are valid and complete in all respects. Securities Exchange Board of India vide its circular No. SEBI/LAD-NRO/ GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, effective from April 1, 2019, has discontinued transfer of shares in physical mode and hence, the Company is not required to process any transfer request on or after April 1, 2019. The Company holds Stakeholders' Relationship Committee Meetings for approving dematerialization, requests for transmission and rematerialization of equity shares. The Committee also reviews request for issue of duplicate share certificate, if any, received from shareholders. The Company obtains from a Company Secretary in Practice a yearly certificate of compliance with the share transfer formalities as required under the Regulation 40 (9) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

(ii) Correspondence regarding change of address:

Shareholders are requested to ensure that any correspondence of Change of Address, change of Bank Mandates should be signed by the first named shareholder in prescribed form. Shareholders who hold shares in dematerialized form should correspond with the Depository participant with whom they opened Demat Account.

(iii) Green Initiative for Paperless Communication:

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" by allowing service of documents by a Company to its members through electronic mode. The move of the ministry allows public at large to contribute to the green movement. Keeping in view the underlying theme, the Company will continue to send various communication and documents in electronic form in the email address provided by the members to the Depositories or to the Company.

(iv) Pending Investors' Grievances:

Any shareholder whose grievance has not been resolved to his/her satisfaction may kindly write to the Company Secretary at the Registered office of the Company with a copy of earlier correspondence.

8.11 Credit Rating

The CARE Ratings Limited has reviewed the ratings on the bank facilities of the Company and revised the rating of the Company as "CARE A-; Stable" (Single A Minus) assigned to the long term bank facilities and "CARE A2+" (A Two Plus) assigned to long term/ short term bank facilities for fund based limit and "CARE A2+" (A Two Plus) assigned to the short term bank facilities for non fund based limit.

ANNEXURE G TO DIRECTORS' REPORT

8.12 Distribution of Shareholding

The distribution of shareholding as on March 31, 2024 is as under:

a. Distribution by number of shares:

Number of Equity Shares Held	Shareholders		Shareholding	
	Number	% of Total	Number	% of Total
1-500	14751	95.77	11,73,816	14.61
501-1000	382	2.48	2,89,892	3.61
1001-2000	160	1.04	2,30,211	2.87
2001-3000	39	0.25	98,013	1.22
3001-4000	17	0.11	59,800	0.74
4001-5000	13	0.09	60,011	0.75
5001-10000	16	0.10	1,17,059	1.46
10001 and above	24	0.16	60,04,297	74.74
Total	15,402	100.00	80,33,099	100.00

b. Shareholding Pattern as at March 31, 2024 (Category wise)

Sr. No.	Category	No. of Holders	No. of Shares	% of Shareholding
A.	Promoters			
1.	Indian Promoters			
	Individuals	-	-	-
	Bodies Corporate	2	3,17,332	3.95
	Family Trust	2	47,19,205	58.75
2.	Foreign Promoters	-	-	-
	Total Promoters Holding	4	50,36,537	62.70
B.	Non Promoters			
1.	Institutional Investors			
a.	Mutual Funds	1	4500	0.06
b.	Banks, Financial Institutions, Insurance Companies	-	-	-
c.	Foreign Portfolio Investors	3	34,297	0.43
	Sub Total	4	38,797	0.49
2.	Others			
a.	Bodies Corporate	76	64,427	0.80
b.	Directors and their relatives	2	260	0.00
b.	Indian Public	14,515	22,97,223	28.60
c.	NRIs/OCBs	175	32,315	0.40
d.	Clearing Members	2	360	0.00
e.	HUF	339	2,76,240	3.44
g.	IEPF	1	1,20,556	1.50
h.	Foreign Bodies Corporate	1	1,66,384	2.07
	Sub Total	15,111	29,57,765	36.81
	Grand Total	15,119	80,33,099	100.00

ANNEXURE G TO DIRECTORS' REPORT

c. List of Top 10 Shareholders other than Promoters as at March 31, 2024

Sr. No.	Name of the Shareholder	No. of Shares held	% of Total Holding
1.	Tarak V Vora	1,79,488	2.23
2.	DIC Corporation	1,66,384	2.07
3.	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	1,20,556	1.50
4.	Pravinaben Vora	1,17,454	1.46
5.	Tarak Vora	66,918	0.83
6.	Hansika	37,400	0.46
7.	Tarak Vinaykumar Vora	34,985	0.43
8.	Gymkhana Partners L.P.	31,000	0.39
9.	Kalpesh Vora	29,720	0.37
10.	Santosh Kumar	29,086	0.36

8.13 Dematerialization of Shares and Liquidity

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company is INE542B01011. Nearly 97.49% of total listed Equity Shares are in Demat form as on March 31, 2024. The status of shares held in demat and physical format is given below. The Company's shares are liquid and actively traded on the BSE and NSE.

Details of Dematerialised Shares as at March 31, 2024

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Percentage	Number of Shares	Percentage
Shares in Demat Form				
NSDL	15,83,490	19.71	16,17,025	20.13
CDSL	62,48,158	77.78	62,06,423	77.26
Shares in Physical Form	02,01,451	02.51	2,09,651	2.61
Total	80,33,099	100.00	80,33,099	100.00

8.14 Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/ Warrants/any convertible instruments.

8.15 Plant Locations

166-169, Village Indrad, Kadi-Kalol Road, Dist. Mehsana – 382 715, Gujarat (India)

Plot No. D-2/CH/152, Dahej-2 Industrial Estate, G.I.D.C. Dahej – 392 135 Gujarat (India)

8.16 Address for correspondence with the Company

Company Secretary & Compliance Officer / Nodal Officer
Mr. Mehul Naliyadhara
AksharChem (India) Limited
"Akshar House", Chhatral-Kadi Road, Indrad – 382 715,
Dist : Mehsana, Gujarat.
Tel : (02764) 233007 to 10
Email: cs@aksharchemindia.com
Website: www.aksharchemindia.com

8.17 Address for correspondence with the Registrar and Share Transfer Agent of the Company

Unit: AksharChem (India) Limited
Link Intime India Private Limited
5th Floor, 506-508, Amarnath Business Centre -1,
(ABC-1), Besides Gala Business Centre, Near St. Xavier's
College Corner, Off C. G. Road, Ellisbridge,
Ahmedabad-380 006

Tel : 079-26465179/86/87

E-mail id: ahmedabad@linkintime.co.in

Website: www.linkintime.co.in

9. OTHER DISCLOSURES

9.1 Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company

During the financial year 2023-24, there was no materially significant related party transaction that may have potential conflict with the interests of the Company at large. The Board has approved a policy on related party transaction. The Register of Contracts/Statement of related party transactions is placed before the Board/Audit Committee regularly. Transactions with related parties as per requirements of Ind AS 24 and which are not materially significant are disclosed in Notes to the Financial Statements in this Annual Report and they are not in conflict with the interest of the Company at large. All transactions with related parties are at arms' length. Policy on related party transactions are disclosed on the website of the Company at <https://www.aksharchemindia.com/uploads/report/7191706680336Policy%20on%20Related%20Party%20Transaction.pdf>.

9.2 Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

A Statement of Compliance with all Laws and Regulations as

ANNEXURE G TO DIRECTORS' REPORT

certified by the Joint Managing Director and Company Secretary is placed at periodic intervals for review by the Board. There were no instances of non-compliance, penalty or strictures imposed on the Company by the Stock Exchange(s) or Securities Exchange Board of India (SEBI) or any statutory authority, on any matter related to capital markets, during the last three years.

9.3 Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee

The Company has established a Whistle Blower policy and has established necessary mechanism to enable directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Companies code of conduct. The policy offer appropriate protection to the whistle blowers from victimization, harassment or disciplinary proceedings. The Audit Committee reviews periodically the functioning of whistle blower mechanism. No personnel is denied the opportunity to meet the Audit Committee members of the Company. A copy of the Whistle Blower Policy is also available on the website of the Company at <https://www.aksharchemindia.com/uploads/report/83115272278044.%20Policy%20of%20Whistle%20Blower%20Policy.pdf>.

The ombudsman had not received any complaint during the financial year ended March 31, 2024.

9.4 Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (amended from time to time).

9.5 Web link where policy for determining 'material' subsidiaries is disclosed

The policy for determining material subsidiaries is available on the website of the Company at <https://www.aksharchemindia.com/uploads/report/5021706680297Policy%20on%20Determining%20Material%20Subsidiaries.pdf>.

9.6 Web link where policy on dealing with related party transactions is disclosed

The policy on dealing with related party transactions is available on the website of the Company at <https://www.aksharchemindia.com/uploads/report/7191706680336Policy%20on%20Related%20Party%20Transaction.pdf>.

9.7 Commodity Price Risks and Foreign Exchange Risk and Hedging Activities

The Company is subject to commodity price risks due to fluctuation in prices of crude oil. The Company's receivables are in U.S. Dollars and due to fluctuations in foreign exchange prices, it is subject to foreign exchange risks. The Company has in place a well-structured risk management system for identification and monitoring and mitigation of commodity price and foreign exchange risks under the guidance of experienced Board of Directors.

9.8 Compliance certificate from practicing company secretaries regarding compliance of conditions of corporate governance

The Certificate from the Practicing Company Secretary regarding compliance of conditions of corporate governance is annexed with the Directors' Report and forms an integral part

of the Annual Report.

9.9 Certificate from practicing company secretaries regarding non-disqualification of directors

The Certificate from the Practicing Company Secretary that none of the directors of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies by the board/Ministry of Corporate Affairs or any such statutory authority is annexed with the Directors' Report and forms an integral part of the Annual Report.

9.10 Acceptance of recommendations of the committees of the Company

During the year under review, the Board of directors has accepted all recommendations made by the respective committees, as applicable.

9.11 Total Fees paid to the Statutory Auditors

Total Fees paid to Statutory Auditors is Rs. 3.25 lakhs for the financial year 2023-24.

9.12 Redressal of Grievances under Sexual Harassment Policy

The Company has in place, a policy on Prevention, Prohibition and Redressal of Sexual Harassment of women at workplace in accordance with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details of complaints received and resolved during the year are as follows:

No.	Complaints Received	Complaints Status
1	Number of grievances received during the financial year	Nil
2	Number of grievances disposed during the financial year	Nil
3	Number of complaints pending at end of financial year	Nil

9.13 Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested:

During the Financial Year ended March 31, 2024, there are no loans or advances provided by the Company to firms/companies in which directors were interested.

9.14 Details of material subsidiary

According to the policy of the Company and applicable regulations under SEBI Listing Regulations, the Company have neither subsidiary nor material subsidiary at the financial year ended March 31, 2024. The policy for determining Material Subsidiary as approved by the Board may be accessed on the Company's website at <https://www.aksharchemindia.com/uploads/report/38115272275328.%20Policy%20of%20Material%20Subsidiaries.pdf>.

10. NON-COMPLIANCE OF ANY REQUIREMENTS OF CORPORATE GOVERNANCE

There are no instances of non-compliance of any requirement of Corporate Governance Report as mentioned in sub paras (2) to (10) of Para (C) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has been regularly submitting the quarterly compliance report to the Stock Exchanges as required under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

11. DISCLOSURE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED

- (1) The Company has an Executive Chairperson.
- (2) The quarterly/half yearly results are not sent to the

ANNEXURE G TO DIRECTORS' REPORT

shareholders. However, the same are published in newspapers and are also posted on the Company's website.

- (3) The Company's financial statements for the financial year 2023-24 do not contain any audit qualification.
- (4) The internal auditors report to the Audit Committee.

12. DECLARATION SIGNED BY THE CHIEF EXECUTIVE OFFICER STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Company has obtained affirmation from Chairperson & Managing Director that all the members of the board and senior managerial personnel have complied with the Code of Conduct for Board members and Senior Managerial Personnel for the year ended March 31, 2024.

13. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

The disclosure as required under schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

- a) Aggregate number of shareholders and the outstanding share in the suspense account lying at the beginning of the year: Nil
- b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil
- c) Number of shareholders to whom shares were transferred from suspense account during the year: Nil

- d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil

- e) Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: NA

14. DISCLOSURE OF AGREEMENTS BINDING LISTED ENTITIES UNDER CLAUSE 5A OF PARAGRAPH A OF PART A OF SCHEDULE III

During the financial year ended March 31, 2024, no such agreements were entered.

15. CEO/CFO CERTIFICATION

The Joint Managing Director & CEO and Chief Financial Officer (CFO) of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI Regulations.

16. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for prevention of Insider Trading with a view to regulate trading in securities by Directors and designated employees of the Company. The code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by Directors and designated employees which in possession of unpublished price sensitive information in relation to the Company. The Company Secretary is responsible for implementation of the Code.

For and on behalf of Board of Directors

Place : Ahmedabad
Date : August 02, 2024

PARU M. JAYKRISHNA
Chairperson & Mg. Director
DIN: 00671721

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the period ended March 31, 2024.

For, Aksharchem (India) Limited

Place : Ahmedabad
Date : August 02, 2024

PARU M. JAYKRISHNA
Chairperson & Mg. Director
DIN: 00671721

CERTIFICATE BY CEO AND CFO PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Board of Directors
Aksharchem (India) Limited

We, the undersigned, in our respective capacities as Joint Managing Director & CEO and Chief Financial Officer (CFO) of Aksharchem (India) Limited ("the Company"), to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements and the cash flow statement of Aksharchem (India) Limited for the year ended March 31, 2024 and that to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
 - a. that there have been no significant changes in internal control over financial reporting during the year ended March 31, 2024;

- b. that there have been no significant changes in accounting policies during the year ended March 31, 2024 and that the same have been disclosed in the notes to the financial statements; and
- c. that there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For, Aksharchem (India) Limited

Munjal M. Jaykrishna
Jt. Managing Director & CEO
DIN: 00671693

Place: Ahmedabad
Date: August 02, 2024

Hardik S. Shah
Chief Financial Officer (CFO)
ICAIM. No. 132449

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members,
AksharChem (India) Limited

I have examined the compliance of conditions of Corporate Governance by M/s. AksharChem (India) Limited ("the Company"), for the year ended on March 31, 2024, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the management, I certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in the Listing Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

Bipin L. Makwana

Company Secretary in Practice
Membership No. A15650
C. P. No. 5265
UDIN: A015650F000877711
PRN: 2680

Place: Ahmedabad
Date: 02/08/2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
AksharChem (India) Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. AksharChem (India) Limited having CIN - L24110GJ1989PLC012441 and having registered office at "Akshar House", Chhatral- Kadi Road, Indrad - 382 715, Mahesana, Gujarat (hereinafter referred to as 'the Company'), as made available to me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment	Date of Cessation
1	Mrs. Paru Mrugesh Jaykrishna	00671721	04/07/1989	-
2	Mr. Gautamkumar Mithalal Jain	00160167	21/01/2014	-
3	Mr. Gokul Mrugesh Jaykrishna	00671652	01/01/1994	-
4	Mr. Munjal Mrugesh Jaykrishna	00671693	28/06/1995	-
5	Mr. Pradeepbhai Jasubhai Jha	01539732	28/05/2002	-
6	Mr. Jigar Mukesh Patel	05291605	11/12/2017	-
7	Ms. Maitri Kirankumar Mehta	07549243	28/03/2019	-
8	Mr. Ashok Dolatsinh Barot	08366687	28/03/2019	-

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Bipin L. Makwana

Company Secretary in Practice
Membership No. A15650
C. P. No. 5265
UDIN: A015650F000877720
PRN: 2680

Place: Ahmedabad
Date: 02/08/2024

FINANCIAL STATEMENTS

Independent Auditor's Report

To
The members of **AksharChem (India) Limited**
Report on Audit of the IND AS Financial Statements

Opinion

We have audited the accompanying Financial Statements of AksharChem (India) Limited (hereinafter referred to as "the Company") which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Information other than Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude

that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 an adequate internal financial control in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books except for the matters stated in paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c) The Balance Sheet, the Statement of Profit and Loss including the statement of other comprehensive income, the Cash Flows statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g) With respect to the adequacy of the internal financial controls with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company has disclosed the impact of pending litigations on its financial position in its financial statement Refer Note 37 to the Financial Statement;
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - c) There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company
 - d) (i) The management has represented that, to the best of its knowledge and belief, no funds 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 persons or entities, including foreign entities ("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 ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
 - (iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.
- e) 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 to the extent it applies to

payment of dividend, as stated in Note 17.4 in financials.

The Board of Directors have recommended a final dividend for the financial year ended on March 31, 2024 subject to the approval of shareholders at the annual general meeting. The dividend declared is in accordance with Section 123 of the Act.

- f) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except the feature of recording audit trail (edit log) facility was not enabled at the application layer of the accounting software relating to payroll for the period April 1, 2023 to March 31, 2024.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is

not applicable for the financial year ended March 31, 2024.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

TALATI & TALATI LLP
Chartered Accountants
FRN: 110758W/W100377

Umesh Talati
Partner

Place: Ahmedabad
Date : 29/05/2024

Membership No: 034834
UDIN: 24034834BKALIG4214

Annexure – A

to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2024

(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory

Requirements" of our report of even date)

- i. In respect of Company's Property, Plant and Equipment and Intangible Assets:
 - a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company is maintaining proper records showing full particulars of intangible assets.
 - b) The Property, Plant & Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. According to information and explanation given to us, no material discrepancies were noticed on such verification.
 - c) The title deeds of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) as disclosed in the Note no. 3 and 4 to the financial statements are held in the name of the company.
 - d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of use assets) or Intangible assets or both during the year.
 - e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or

pending against the Company for holding any Prohibition of benami Property under the Benami Transactions Act, 1988 and rules made thereunder.

- ii.
 - a) The inventories have been physically verified during the year by the management. In our opinion the frequency of verification is reasonable. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
 - b) During the year, The Company has not been sanctioned working capital limits in excess of 5 crores, in aggregate, at any point of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements and book debt statements filed by the Company for certain quarters are not in agreement with the Reviewed books of accounts, for already sanctioned working capital limit, however such differences between books of account and those submitted to bank are reconciled. (Refer Note 48 to the Financial Statements.)
- iii. According to the information and explanations given to us and on the basis of our examination of the records, the Company has granted loans or advances in the nature of loans, unsecured, to other parties during the year, in respect of which the requisite information is as below. The Company has not made any investments and has not granted any loans or advances in the nature of loans, unsecured, to companies, firms or limited liability partnerships during the year.
 - a) (A) The Company has not given any loans or advances in the nature of loans or stood guarantee or provided security to subsidiaries. The Company does not hold any investment in any joint ventures or associates.
 - (B) The Company has provided Interest-free unsecured loans & advances and Bank Guarantees to other parties during the year and details of which are given below:

Particulars	Loans	Guarantees	Securities
Aggregate amount granted / provided during the year:			
- Subsidiaries	Nil	Nil	Nil
- Joint Ventures	Nil	Nil	Nil
- Associates	Nil	Nil	Nil
- Others			
i. (Employees)	28.95	Nil	Nil
ii. Other Entities	Nil	Nil	Nil
Balance Outstanding as at balance sheet date in respect of above cases:			
- Subsidiaries	Nil	Nil	Nil
- Joint Ventures	Nil	Nil	Nil
- Associates	Nil	Nil	Nil
- Others			
i. (Employees)	35.46	Nil	Nil
ii. Other Entities	Nil	414.85	Nil

- There is opening balance of Rs. 27.74 Lakhs (Loans to Employees) as on April 1, 2023.
- There is opening balance of Rs. 414.85 Lakhs (Financial Guarantees to other entities) as on April 1, 2023

- b) In relation to loans and advances granted, we are of the opinion that the terms and conditions of the loans and advances provided are not prejudicial to the interest of the Company.
- c) In respect of interest-free loans or advances in the nature of loans provided by the Company to its employees, the schedule of repayment of principal has been stipulated and the repayments of principal amounts are regular as per stipulation in such cases.
- d) There are no amounts overdue for more than ninety days in respect of the loan granted by the company.
- e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- iv. In our opinion and according to the information and explanations given to us, The Company has not granted loan or given guarantee or provided security as provided in the Section 185 and 186 of the Companies Act, 2013. The Company has complied with provisions of Section 186 of the Companies Act, 2013 in respect of loans and investments.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted

Name of the Statute	Nature of dues	Amount (In Lakhs)	Period to which the account relates	Forum where the dispute is pending
Gujarat VAT Act, 2003	Sales Tax	18.03	2004-05	Ahmedabad VAT Tribunal
Income Tax Act, 1961	Income Tax	10.28	2017-18	CIT (Appeal), Ahmedabad
Income Tax Act, 1961	Income Tax	11.4	2018-19	CIT (Appeal), Ahmedabad

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account or in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix.
- a) According to the information and explanations given to us, and on the basis of our examination of records, the Company has not defaulted in repayment of loans or borrowing to banks and financial institutions during the year.
- b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- c) According to the information and explanations given to us, and on the basis of our examination of the records, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- d) According to the information and explanations given to us and on an overall examination of the balance sheet

any deposit and hence the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014, with regard to the deposits accepted are not applicable to the Company. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the company.

- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under Section 148 of the Act, and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues
- (a) The company has been generally regular in depositing undisputed statutory dues including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2024 on account of any dispute, except the following:
- of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company.
- e) The Company does not have subsidiaries or associates or joint ventures. Accordingly, clause 3(ix)(e) of the Order is not applicable to the Company.
- f) The Company does not have subsidiaries or associates or joint ventures. Accordingly, clause 3(ix)(f) of the Order is not applicable to the Company.
- x.
- a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable to the company.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable to the Company.
- xi.
- a) Based on examination of to the books and records of

- the Company and according to the information and explanations given to us, considering the principles of materiality as outlined in the Standards on Auditing, we report that no fraud by the Company and on the Company has been noticed or reported during the course of the audit.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) To the best of our knowledge and according to the information and explanations given to us, and as per representation received from management there are no whistle-blower complaints received during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the company.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- xiv.
- a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause (xvi) of the Order is not applicable to the company.
- xvii. The company has incurred cash loss of Rs. 188.55 Lakhs in the current financial year and has not incurred cash losses in immediately preceding financial year. Net profit before tax and extraordinary items is adjusted for depreciation to arrive at cash loss.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization 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. The company has fully spent the required amount towards Corporate social responsibility (CSR) and there is no unspent amount for the year requiring a transfer to a fund specified in schedule VII of the Companies Act or special account in compliance with the provision of sub section (6) of section 135 of Companies Act 2013. Accordingly, reporting under clause 3 (xx) of the order is not applicable for the year.

TALATI & TALATI LLP
Chartered Accountants
FRN: 110758W/W100377

Umesh Talati
Partner

Place: Ahmedabad
Date : 29/05/2024

Membership No: 034834
UDIN: 24034834BKALIG4214

Annexure – B

to the Independent Auditors' Report

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

We were engaged to audit the internal financial controls over financial reporting of AksharChem (India) Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the accompanying IND AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in

reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

TALATI & TALATI LLP
Chartered Accountants
FRN: 110758W/W100377

Umesh Talati
Partner

Place: Ahmedabad
Date : 29/05/2024

Membership No: 034834
UDIN: 24034834BKALIG4214

Balance Sheet

as at March 31, 2024

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
I ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	3	23,453.10	22,512.99
(b) Capital Work-in-Progress	4	1,116.04	1,744.27
(c) Other Intangible Assets	5	22.15	30.07
(d) Intangible Assets under Development		-	-
(e) Financial Assets			
(i) Investments	6	0.38	0.38
(ii) Other Assets	7	194.40	185.73
(f) Other Non-current Assets	8	242.13	363.98
Total Non-current Assets		25,028.20	24,837.42
2 Current Assets			
(a) Inventories	9	6,486.08	5,933.88
(b) Financial Assets			
(i) Trade Receivables	10	4,734.23	3,615.69
(ii) Cash and Cash Equivalents	11	15.99	14.74
(iii) Bank balances other than Cash and Cash Equivalents	12	243.60	159.11
(iv) Loans	13	35.46	27.74
(v) Other Financial Assets	14	1.75	4.02
(c) Current Tax Assets (Net)	15	69.17	552.65
(d) Other Current Assets	16	1,435.66	1,379.66
Total Current Assets		13,021.94	11,687.49
TOTAL ASSETS		38,050.14	36,524.91
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	17	803.31	803.31
(b) Other Equity	18	25,115.32	27,033.16
Total Equity		25,918.63	27,836.47
2 LIABILITIES			
Non-current Liabilities			
(a) Borrowings	19	1,746.76	1,650.00
(b) Provisions	20	65.46	27.09
(c) Deferred Tax Liabilities (Net)	21	2,122.87	1,814.67
Total Non-current Liabilities		3,935.09	3,491.76
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	3,435.38	812.54
(ii) Trade Payables	23		
- Total outstanding dues of Micro and Small Enterprises		44.64	162.59
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		4,307.82	3,668.71
(iii) Other Financial Liabilities	24	50.16	206.52
(b) Other Current Liabilities	25	322.26	303.14
(c) Provisions	26	36.16	43.17
Total Current Liabilities		8,196.42	5,196.68
TOTAL EQUITY AND LIABILITIES		38,050.14	36,524.91
Significant Accounting Policies	2		
The accompanying notes are an integral part of financial statements	3 - 60		

As per our Report of even date attached.

For **Talati & Talati LLP**
Chartered Accountants
Firm Registration No.110758W/W100377

Umesh Talati
(Partner)
Membership No. 034834

Place : Ahmedabad
Date: May 29, 2024

Hardik S. Shah
Chief Financial Officer
(ICAI M.No.: 132449)

Mehul Naliyadhara
Company Secretary
(ICSI M.No.: ACS 39558)

For and on behalf of the Board of Directors
Aksharchem (India) Limited

Paru M. Jaykrishna
Chairperson & Mg. Director
DIN: 00671721

Munjal M. Jaykrishna
Jt. Managing Director & CEO
DIN: 00671693

Place : Ahmedabad
Date: May 29, 2024

Statement Of Profit And Loss

For the year ended March 31, 2024

(₹ in Lakhs)

Particulars	Notes	Year Ended March 31, 2024	Year Ended March 31, 2023
I Revenue from Operations	27	30,204.70	33,467.86
II Other Income	28	44.87	15.17
III Total Income (I+II)		30,249.57	33,483.03
IV EXPENSES			
Cost of Materials Consumed	29	17,281.57	18,419.95
Purchase of Stock-in-Trade		1,257.64	2,508.36
Changes in Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade	30	(403.22)	901.40
Employee Benefits Expense	31	1,336.98	1,174.07
Finance Costs	32	372.67	321.50
Depreciation and Amortization Expenses	33	1,378.32	1,284.84
Other Expenses	34	10,581.80	8,922.81
Total Expenses (IV)		31,805.76	33,532.93
V Profit before Exceptional Items and Tax (III-IV)		(1,556.19)	(49.90)
VI Exceptional Items		-	-
VII Profit before Tax (V-VI)		(1,556.19)	(49.90)
VIII Tax Expenses			
Current Tax		-	-
Deferred Tax		311.54	44.31
Adjustment of Tax for Earlier Years		-	-
Total Tax Expenses (VIII)		311.54	44.31
IX Profit for the Year (VII-VIII)		(1,867.73)	(94.21)
X Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit plans		(12.58)	22.69
- Equity instruments through other comprehensive income		-	-
- Income tax related to above items		3.16	(5.71)
B. Items that will be reclassified to profit or loss			
- Effective portion of gains / (losses) in cash flow hedges		(0.71)	(24.16)
- Income tax related to above items		0.18	6.08
Other Comprehensive Income for the year (X)		(9.95)	(1.10)
XI Total Comprehensive Income for the year (IX + X)		(1,877.68)	(95.31)
XII Earning per Equity Share (Face Value of Rs. 10 Each)	35		
Basic		(23.25)	(1.17)
Diluted		(23.25)	(1.17)
Significant Accounting Policies	2		
The accompanying notes are an integral part of financial statements	3 - 60		

As per our Report of even date attached.

For **Talati & Talati LLP**
Chartered Accountants
Firm Registration No.110758W/W100377

Umesh Talati
(Partner)
Membership No. 034834

Place : Ahmedabad
Date: May 29, 2024

Hardik S. Shah
Chief Financial Officer
(ICAI M.No.: 132449)

Mehul Naliyadhara
Company Secretary
(ICSI M.No.: ACS 39558)

For and on behalf of the Board of Directors
AksharChem (India) Limited

Paru M. Jaykrishna
Chairperson & Mg. Director
DIN: 00671721

Munjal M. Jaykrishna
Jt. Managing Director & CEO
DIN: 00671693

Place : Ahmedabad
Date: May 29, 2024

Statement of Changes in Equity

for the year ended March 31, 2024

A. Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares of Rs. 10 each (Fully Paid up)				
Balance at the beginning of the year	80,33,099	803.31	80,33,099	803.31
Changes in equity share capital during the year - Shares Buy Back	-	-	-	-
Balance at the end of the year	80,33,099	803.31	80,33,099	803.31

(₹ in Lakhs)

B. Other Equity

Particulars	Reserves and Surplus				Other Components of Equity		Total
	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Effective portion of gain or loss on cash flow hedges	
Balance as at April 1, 2022	5,839.49	2,727.41	16.95	18,550.10	17.16	17.50	27,168.64
Profit for the year	-	-	-	(94.21)	-	-	(94.21)
Other comprehensive income	-	-	-	16.98	-	(18.08)	(1.10)
Transfer to Capital Redemption Reserve	-	-	-	-	-	-	-
Shares Buy Back (Including tax thereon)	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(77.23)	-	(18.08)	(95.31)
Dividend Paid	-	-	-	(40.17)	-	-	(40.17)
Balance as at March 31, 2023	5,839.49	2,727.41	16.95	18,432.70	17.16	(0.58)	27,033.16
Balance as at April 1, 2023	5,839.49	2,727.41	16.95	18,432.70	17.16	(0.58)	27,033.16
Profit for the year	-	-	-	(1,867.73)	-	-	(1,867.73)
Other comprehensive income	-	-	-	(9.42)	-	(0.53)	(9.95)
Total comprehensive income for the year	-	-	-	(1,877.15)	-	(0.53)	(1,877.68)
Dividend paid	-	-	-	(40.17)	-	-	(40.17)
Balance as at March 31, 2024	5,839.49	2,727.41	16.95	16,515.38	17.16	(1.11)	25,115.32

As per our Report of even date attached.

For **Talati & Talati LLP**
Chartered Accountants
Firm Registration No.110758W/W100377

Umesh Talati
(Partner)
Membership No. 034834

Place : Ahmedabad
Date: May 29, 2024

Hardik S. Shah
Chief Financial Officer
(ICAI M.No.: 132449)

Mehul Naliyadhara
Company Secretary
(ICSI M.No.: ACS 39558)

For and on behalf of the Board of Directors
Aksharchem (India) Limited

Paru M. Jaykrishna
Chairperson & Mg. Director
DIN: 00671721

Munjal M. Jaykrishna
Jt. Managing Director & CEO
DIN: 00671693

Place : Ahmedabad
Date: May 29, 2024

Cash Flow Statement

for the year ended March 31, 2024

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
A. Cash Flow from Operating Activities		
Profit Before Tax	(1,556.19)	(49.90)
Adjustments for :		
Depreciation and Amortisation Expenses	1,378.32	1,284.84
Finance Cost	372.67	321.50
(Profit)/ Loss on sales of Property, Plant and Equipment	(2.51)	(0.73)
Interest Received	(37.16)	(9.56)
(Profit) / Loss from sale of Investments	-	-
Net (Gain)/Loss arising on financial assets measured at fair value through Profit or Loss (FVTPL)	-	-
Dividend Income	-	1,596.05
Operating Profit Before Working Capital Changes	155.13	1,546.15
Working Capital Changes		
Adjustments for:		
(Increase)/Decrease Trade & Other receivables	(1,166.15)	2,468.36
(Increase)/Decrease Inventories	(552.20)	1,314.19
Increase/ (Decrease) Trade & other payables	385.89	(1,379.08)
Increase/ (Decrease) Long Term Provisions	38.36	(12.45)
Cash Generated from Operations	(1,138.97)	3,937.17
Direct taxes paid (Net)	483.48	(145.09)
Net Cash Flow from / (used in) Operating Activities	(655.49)	3,792.08
B. Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment	(1,684.49)	(890.33)
Proceeds from sale of Property, Plant & Equipment	4.73	42.32
Sales/(Purchase) of Investments (Net)	-	-
Interest Income Received	39.44	7.75
Dividend Income	-	-
Net Cash Flow from / (used in) Investing Activities	(1,640.32)	(840.26)
C. Cash Flow from Financing Activities		
Availment/(Repayment) of borrowings	2,719.60	(2,564.78)
Proceeds from Issue of Equity Shares	-	-
Interest Paid	(372.67)	(335.78)
Unclaimed Dividend Transferred to IEPF	(10.01)	(11.25)
Dividend Paid (Including tax on dividend)	(39.86)	(39.28)
Net Cash Flow from / (used in) Financing Activities	2,297.06	(2,951.08)
Net increase / (decrease) in cash and cash equivalents	1.25	0.73
Cash and cash equivalent at the beginning of the year	14.74	14.01
Cash and cash equivalent at the end of the year	15.99	14.74

As per our Report of even date attached.

For **Talati & Talati LLP**
Chartered Accountants
Firm Registration No.110758W/W100377

Umesh Talati
(Partner)
Membership No. 034834

Place : Ahmedabad
Date: May 29, 2024

Hardik S.Shah
Chief Financial Officer
(ICAI M.No.: 132449)

Mehul Naliyadhara
Company Secretary
(CSI M.No.: ACS 39558)

For and on behalf of the Board of Directors
AksharChem (India) Limited

Paru M. Jaykrishna
Chairperson & Mg. Director
DIN: 00671721

Munjal M. Jaykrishna
Jt. Managing Director & CEO
DIN: 00671693

Place : Ahmedabad
Date: May 29, 2024

NOTES

1. Company Information

Aksharchem (India) Limited (the 'Company') is a public limited Company domiciled in India with its registered office at "Akshar House", Chhatral Kadi Road, Indrad – 382715, Mahesana, Gujarat (India). The equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

The Company is principally engaged in the business of manufacturing & export of Dyes, Pigments and Precipitated Silica.

The financial statements as at March 31, 2024 present the financial position of the Company.

The financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorized for issue on May 29, 2024.

2. Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

(i) Compliance with Ind-AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

(ii) Basis of Preparation and presentation

The financial statements have been prepared and presented on the going concern basis and at historical cost basis considering the applicable provisions of Companies Act 2013, except for the following items that have been measured at fair value as required by relevant IND AS.

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.

- Certain financial assets/liabilities measured at fair value (refer accounting policy regarding financial instruments) and
- Any other item as specifically stated in the accounting policy.

The Shareholders have the power to amend the Financial Statements after the issue.

(iii) Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(iv) Classification of Assets and Liabilities as Current and Non-Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months period has been considered by the Company as its normal operating cycle.

(iv) Rounding off amounts

The financial statements are presented in INR and all values are rounded to the nearest Lakhs (INR 1,00,000) as

per the requirement of Schedule III, unless otherwise stated.

2.2 Key accounting estimates & judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

2.2.1 Critical accounting estimates

- Useful lives and residual values of Property, plant and equipment represent a material portion of the Company's asset base. The periodic charge of depreciation is derived after estimating useful life of an asset and expected residual value at the end of its useful life. The useful lives and residual values of assets are estimated by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on various external and internal factors including historical experience, relative efficiency and operating costs and change in technology.
- Income taxes
The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes including amounts to be recovered or paid for uncertain tax positions. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.
- Defined benefit obligations
Defined benefit obligations are measured at fair value for financial reporting purposes. Fair value determined by actuary is based on actuarial assumptions. Management judgement is required to determine such actuarial assumptions. Such assumptions are reviewed annually using the best information available with the Management.
- Contingencies
In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

2.3 Property, Plant and Equipment (PPE) (IND AS 16)

These tangible assets are held for use in production, supply of goods or services or for administrative purposes. Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price after deducting trade discount/rebate, import duties, non-refundable taxes, Net of GST input credit wherever applicable, cost of replacing the component parts, borrowing costs and other directly attributable cost of bringing the asset to its working condition in the manner intended by the management.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Items such as spare parts, standby equipment and servicing equipment are recognized as PPE when it is held for use in the production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise such items are classified as inventory.

Expenditure on acquisition of PPE for Research and Development (R&D) is included in PPE and depreciation thereon is provided as applicable.

The Company adjusts exchange differences arising on translation difference/settlement of long term foreign currency monetary items outstanding and pertaining to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset. The depreciation on such foreign exchange difference is recognised from first day of its financial year.

De-recognised upon disposal

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use or disposal. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when asset is derecognised.

Treatment of Expenditure during Construction Period

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress, and the same is allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

Depreciation

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognized till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

The Company depreciates its property, plant and equipment (PPE) over the useful life in the manner prescribed in Schedule II to the Act. Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for plant and equipment wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act. Useful life considered for calculation of depreciation for various assets class are as follows:-

Asset Class	Useful Life
Factory Building	30 years
Non-Factory Building	60 years
Road, Fencing, Borewell, etc.	5/10 years
Plant & Equipment	15/20 years
Lab Equipment	10 years
Electric Installation	10 years
Furniture & Fixtures	10 years
Office Equipment	5 years
Vehicles	8 years
Computers	3 years

The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets.

Depreciation on fixed assets added/disposed off during the period is provided on pro-rata basis with reference to the date of addition/disposal.

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

Leasehold Land is amortised over the primary period of the lease.

2.4 Intangible assets (IND AS 38)

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Computer Software

Computer software are amortized over period of 3 years.

Internally Generated Intangible Assets – Research and Development Expenditure:

Expenditure incurred on development is capitalised if such expenditure leads to creation of any intangible asset, otherwise, such expenditure is charged to the Statement of Profit and Loss. PPE procured for research and development activities are capitalised.

2.5 Leases (Ind AS 116)

The Company has adopted Ind AS 116 – Leases effective 1st April, 2019.

As a Lessee

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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. The Company recognises a Right-of-Use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-to-use assets

and lease liabilities for short-term lease that have a lease term of 12 months or less and leases of low-value assets. The Company recognise the lease payments associated with these leases as an expenses on a straight-line basis over the lease term.

As a Lessor

The company, as a lessor, classifies a lease either as an operating lease or a finance lease. Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

2.6 Inventories (IND AS 2)

Inventories consisting of stores and spares, raw materials, work in progress, stock in trade, goods in transit and finished goods are valued at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

The cost is computed on moving weighted average basis and is net of credits under GST.

Goods and materials in transit include materials, duties and taxes (other than those subsequently recoverable from tax authorities) labour cost and other related overheads incurred in bringing the inventories to their present location and condition.

Traded goods includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

2.7 Borrowing Cost (IND AS 23)

Borrowing cost includes interest expense, amortisation of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings, to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to the acquisition or construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing cost are recognised in the Statement of Profit and Loss in the period in which they are incurred.

2.8 Impairment of Assets (IND AS 36)

At the end of each reporting period, the Company reviews the carrying amounts of its PPE and other intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss Recoverable amount is the higher of fair value less costs

to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit and Loss.

2.9 Government Grants (IND AS 20)

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received. When the grant relates to an expense item, it is recognised in the Statement of Profit and Loss by way of a deduction to the related expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income on a systematic basis over the expected useful life of the related asset.

2.10 Taxes (IND AS 12)

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

a) Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which

the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

c) Minimum Alternate Tax (MAT):

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented as Deferred Tax Asset.

2.11 Employees Benefits (IND AS 19)

a) Employee Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

b) Post-employment obligations

The Company operates the following post-employment schemes:

- (i) Defined benefit plans such as gratuity and;
- (ii) Defined contribution plans such as provident fund.

(i) Defined benefit plans-Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and change in actuarial assumptions are

recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(ii) Defined contribution plans

The Company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

2.12 Provisions, Contingent Liability and Contingent Assets (IND AS 37)

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, Excise, GST etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts. However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability. No contingent asset is recognized but disclosed by way of notes to accounts.

2.13 Trade and Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

2.14 Revenue Recognition (IND AS 18)

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government such as Goods and Services Tax, etc.

Sale of Goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customers and there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue from sales excludes GST. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of Services

Revenue from rendering of services is recognized as per the terms of the contract with customers when related services are performed and when the outcome of the transactions involving rendering of services can be estimated reliably.

Dividend Income

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

Interest Income

Interest Income on financial assets measured at amortised cost is recognised on a time-proportion basis using the effective interest method.

Other Income

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

2.15 Cash Flows and Cash and Cash Equivalents (IND AS 7)

Statement of cash flows is prepared in accordance with the indirect method prescribed in the IND AS 7. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short term, highly liquid investments 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, and book overdrafts. However, Book overdrafts are shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

2.16 Earnings per share (IND AS 33)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after 'income-tax' effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Segment Reporting (IND AS 108)

Based on "Management Approach" as defined in IND AS 108 – Operating Segments, the Management evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

2.18 Foreign Currency Transactions (IND AS 21)

In preparing the financial statements of the Company, transactions in foreign currencies, other than the Company's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency, are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which these arise

except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.19 Events occurring after the balance sheet date (IND AS 10)

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

Dividends declared by the Company after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the financial statements.

2.20 Financial Instruments (IND AS 109)

i. Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

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.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

De-recognition**Financial assets**

The company de-recognizes 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 recognized 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 derecognized.

Financial liabilities

The company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

2.21 Cash Dividend to Equity Holders of the Company:

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.22 Research and Development

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired intangible assets utilized for research and development are capitalized and depreciated / amortized in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

2.23 Goods and Service Tax / Service Tax input Credit:

Goods and Service tax / Service tax input credit is accounted for in the books in the period in which the underlying service

received is accounted and when there is reasonable certainty in availing / utilising the credits.

2.24 RECENT PRONOUNCEMENT

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies the treatment of any cost or fees incurred by an entity in the process of derecognition of financial liability in case of repurchase of the debt instrument by the issuer. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

NOTES

3. Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Land	Leasehold Land	Building	Plant and Machinery	Furniture and fixtures	Vehicles	Office equipment	Total
I. Gross Block								
Balance as at April 1, 2022	1,063.48	1,569.80	5,270.25	20,639.38	325.45	467.35	310.51	29,646.19
Additions	34.44	-	223.23	414.63	9.09	0.96	28.30	710.65
Deduction & Adjustment	-	-	-	7.51	-	9.75	-	17.26
Reclassification as held for sale	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	1,097.92	1,569.80	5,493.48	21,046.50	334.54	458.56	338.81	30,339.58
Additions	32.69	-	992.31	1,231.08	39.44	12.33	4.75	2,312.60
Deduction & Adjustment	-	-	-	-	-	10.65	-	10.65
Reclassification as held for sale	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	1,130.61	1,569.80	6,485.79	22,277.58	373.98	460.24	343.56	32,641.53
II. Accumulated Depreciation								
Balance as at April 1, 2022	-	20.39	908.59	5,018.57	121.12	287.25	206.76	6,562.67
Depreciation for the year	-	17.60	190.48	981.90	20.04	36.05	29.13	1,275.20
Deduction & Adjustment	-	-	-	2.84	-	8.45	-	11.29
Reclassification as held for sale	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	-	37.99	1,099.07	5,997.63	141.16	314.85	235.89	7,826.58
Depreciation for the year	-	17.65	216.77	1,045.98	23.10	35.09	31.68	1,370.27
Deduction & Adjustment	-	-	-	-	-	8.43	-	8.43
Reclassification as held for sale	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	-	55.64	1,315.84	7,043.61	164.26	341.51	267.57	9,188.42
III. Net carrying amount								
Balance as at March 31, 2023	1,097.92	1,531.81	4,394.41	15,048.86	193.38	143.71	102.92	22,512.99
Balance as at March 31, 2024	1,130.61	1,514.16	5,169.95	15,233.97	209.72	118.73	75.99	23,453.10

3.1 All the title deeds for the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are in the name of the Company.

3.2 The Company has not done revaluation of PPE / Intangible assets.

4. Capital Work-in-Progress

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Work-in-Progress	1,116.04	1,744.27
Total	1,116.04	1,744.27

4.1 Details of Capital work in progress Ageing

Ageing of Capital work-in-progress as at 31/03/2024 is as follows

(₹ in Lakhs)

Particulars	Amount in Capital work-in-progress for the Period of				Total
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Project in process	989.95	34.25	67.78	24.06	1,116.04

Ageing of Capital work-in-progress as at 31/03/2023 is as follows

(₹ in Lakhs)

Particulars	Amount in Capital work-in-progress for the Period of				Total
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Project in process	564.70	1,175.33	4.24	-	1,744.27

NOTES

5. Other Intangible Assets

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Computer Software & ERP System		
I. Gross Block		
Opening Balance	81.19	81.19
Additions	0.13	-
Closing Balance	81.32	81.19
II. Accumulated Amortization		
Opening Balance	51.12	41.48
Amortization for the year	8.05	9.64
Closing Balance	59.17	51.12
III. Net carrying amount	22.15	30.07

5. Other Intangible Assets

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Investments in Equity Instruments at Fair Value Through Profit & Loss Quoted, Fully Paid Up				
Equity Shares of Rs. 10 each of Futura Polysters Limited	2,700	0.27	2,700	0.27
Equity Shares of Rs. 10 each of Bihar Sponge Iron Limited. [#]	1,500	0.01	1,500	0.01
Equity Shares of Rs. 10 each of Hindustan Unilever Limited. [#]	1,000	22.98	1,000	22.98
Equity Shares of Rs. 10 each of Tata Steel Long Products Limited. [#]	600	1.14	600	1.14
Equity Shares of Rs. 10 each of Moser Baer (I) Limited. [#]	50	0.00	50	0.00
Equity Shares of Rs. 10 each of Techindia Nirman Limited. [#]	1,500	0.02	1,500	0.02
Equity Shares of Rs. 10 each of Tata Chemicals Limited. [#]	100	0.22	100	0.22
		24.64		24.64
Unquoted, Fully Paid Up				
Equity Shares of Rs. 10 each of DCL Finance Limited. [#]	400	0.00	400	0.00
Equity Shares of Rs. 10 each of Flexitronics Software System Limited. [#]	100	0.00	100	0.00
Equity Shares of Rs. 10 each of Raymond Synthetic Limited. [#]	150	0.00	150	0.00
In Equity Shares of Structured Entities (in which key management personnel or their relatives have significant influence):				
Fully Paid Equity Shares of Rs. 10 each of Asahi Powertech Private Limited	1,000	0.10	1,000	0.10
Fully Paid Equity Shares of Rs. 10 each of Akshar Silica Private Limited	100	0.01	100	0.01
		0.11		0.11
[#] Amounts are less than Rs. 0.01 Lakh				
[#] The company is in process of obtaining duplicate certificates/dematerialisation and hence not available for physical verification.				
Provision for Diminution in value of Investment		(24.37)		(24.37)
Total of Investments in Equity Instruments at FVTPL		0.38		0.38
Total Non Current Investments		0.38		0.38
Aggregate amount of quoted investments		0.27		0.27
Aggregate market value of quoted investments		0.27		0.27
Aggregate amount of unquoted investments		0.11		0.11
Aggregate amount of impairment in value of investments		24.37		24.37

NOTES

7 Other Non-current Financial Assets

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
a. Security Deposits	194.40	185.73
Total	194.40	185.73

8 Other Non current Assets

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Capital Advances	207.42	131.06
b. Balance with Government Authorities	34.71	232.92
c. Pre-paid Expenses	-	-
Total	242.13	363.98

9 Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(Valued at lower of cost or net realized value)		
a. Raw materials	654.49	664.99
b. Raw materials - in Transit	-	-
c. Work in progress	451.82	811.03
d. Finished goods	3,648.03	3,258.87
e. Finished Goods- in Transit	921.81	484.87
f. Stock in Trade	88.85	164.33
g. Stock in Trade - in Transit	74.85	63.04
h. Stores and spares	401.83	318.86
i. Packing Material	146.67	101.76
j. Fuel & Oil	97.73	66.13
Total	6,486.08	5,933.88

10 Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Unsecured, considered good	4,734.23	3,615.69
Total	4,734.23	3,615.69

Refer Note No. 39 for receivable from related parties

10.1 Ageing of Trade Receivable

10.1 Ageing of Trade Receivables outstanding as at 31/03/2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 months- 1 Years	1-2 Year	2-3 Year	More than 3 Years	
a. Undisputed Trade Receivable-Considered good	4,709.26	14.73	2.54	6.01	1.69	4,734.23
b. Undisputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-
c. Undisputed Trade Receivable-Credit Impaired	-	-	-	-	-	-
d. Disputed Trade Receivable-Considered good	-	-	-	-	-	-
e. Disputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-
f. Disputed Trade Receivable-Credit Impaired	-	-	-	-	-	-
Total	4,709.26	14.73	2.54	6.01	1.69	4,734.23

NOTES

10.2 Ageing of Trade Receivables outstanding as at 31/03/2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 months-1 Years	1-2 Year	2-3 Year	More than 3 Years	
a. Undisputed Trade Receivable-Considered good	3,246.27	343.87	19.29	3.40	2.86	3,615.69
b. Undisputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-
c. Undisputed Trade Receivable-Credit Impaired	-	-	-	-	-	-
d. Disputed Trade Receivable-Considered good	-	-	-	-	-	-
e. Disputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-
f. Disputed Trade Receivable-Credit Impaired	-	-	-	-	-	-
Total	3,246.27	343.87	19.29	3.40	2.86	3,615.69

11 Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Balances with banks in current accounts	3.33	4.23
b. Cash on hand	12.66	10.51
Total	15.99	14.74

12 Bank Balances other than Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Earmarked balance for unpaid dividend	49.45	59.15
b. Term deposits with bank held as margin money against letters of credit, bank guarantees and collateral security for working capital facilities	194.15	99.96
Total	243.60	159.11

13 Current Loans

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
a. Loans & Advances to Employees	35.46	27.74
Total	35.46	27.74

14 Other Current Financial Assets

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Interest receivable	1.75	4.02
b. Other Current financial assets	-	-
Total	1.75	4.02

15 Current Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Advance payment of tax (Net of provision)	69.17	552.65
Total	69.17	552.65

NOTES

16 Other Current Assets

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
a. Balance with Government Authorities		1,006.91		747.86
b. Prepaid Expenses		53.93		77.86
c. Advances other than capital advances		310.18		457.72
d. Export Incentive Receivable		64.64		96.22
Total		1,435.66		1,379.66

Refer Note No. 39 for receivable from related parties

17. Share capital

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital :				
Equity Shares of Rs. 10 each	2,00,00,000	2,000.00	2,00,00,000	2,000.00
Issued, Subscribed & Fully Paid Up:				
Equity Shares of Rs. 10 each	80,33,099	803.31	80,33,099	803.31
Total	80,33,099	803.31	80,33,099	803.31

17.1 The reconciliation of the no. of shares outstanding is set out below :

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares				
At Beginning of the period	80,33,099	803.31	80,33,099	803.31
Add : Issued during the year	-	-	-	-
Less:- Shares Buy Back	-	-	-	-
Outstanding at the end of the period	80,33,099	803.31	80,33,099	803.31

- 17.2 The Company has only one class of shares i.e. equity shares. All equity shares carry equal rights with respect to voting and dividend.
- 17.3 In the event of liquidation of the Company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.
- 17.4 Subsequent to Balance Sheet date, the Board of Directors has recommended a dividend of Rs. 0.50 per share to be paid on fully paid equity shares in respect of financial year ended on March 31, 2024. The equity dividend is subject to approval by shareholders at the ensuing annual general meeting and has not been included as a liability in these financial statements. The total estimated equity dividend to be paid is Rs. 40.17 Lakhs.
- 17.5 The Board of Directors obtained at its meeting held on October, 29, 2021, the Company had offered Buy Back of Equity shares of all eligible equity shareholders of the Company on a proportionate basis through tender offer route using Stock Exchange mechanism. The buyback of equity shares through the Stock Exchange commenced on Wednesday, December 08, 2021 and closed on Tuesday, December 21, 2021. Accordingly, the Company bought back and extinguished a total of 1,69,491 equity shares of Rs. 10 each at a price of Rs. 590 per equity share, representing 2.07% of the pre-buyback paid-up equity share capital of the Company. The buyback resulted in a cash outflow of Rs. 1000 Lakhs excluding costs such as fees, brokerage, buy back tax, securities transaction tax, goods and services tax, stamp duty etc. ("Transaction Costs").
- 17.6 Shares held by holding / ultimate holding company / or their subsidiaries / associates : Not Applicable

17.7 Details of shareholders holding more than 5% shares

Name of the shareholder	As at March 31, 2024		As at March 31, 2023		% Change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Mrugesh Jaykrishna Family Trust - 2	31,22,673	38.87	31,22,673	38.87	-
Munjal M. Jaykrishna Family Trust	15,96,532	19.87	15,96,532	19.87	-

NOTES

17.8 Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2024 is as follows

Name of the shareholder	As at March 31, 2024		As at March 31, 2023		% Change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Mrugesh Jaykrishna Family Trust – 2	31,22,673	38.87	31,22,673	38.87	-
Munjal M. Jaykrishna Family Trust	15,96,532	19.87	15,96,532	19.87	-
Chelsea Marketing LLP	3,17,132	3.95	3,17,132	3.95	-
Skyjet Aviation Private Limited	200	0.00	200	0.00	-

Disclosure of shareholding of promoters as at March 31, 2023 is as follows

Name of the shareholder	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Mrugesh Jaykrishna Family Trust – 2	31,22,673	38.87	31,22,673	38.87	-
Munjal M. Jaykrishna Family Trust	15,96,532	19.87	15,96,532	19.87	-
Chelsea Marketing LLP	3,17,132	3.95	3,17,132	3.95	-
Skyjet Aviation Private Limited	200	0.00	200	0.00	-

17.9 Shares Reserved for Issued under options & contracts or commitments for the sale of shares or disinvestment, including terms of amounts : Nil
17.10

- Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash: Nil
- Aggregate number and class of shares allotted as fully paid by way of Bonus Shares : Nil
- Aggregate number and class of shares bought back : Nil

17.11 Securities which are convertible into Equity Shares : Nil

17.12 Aggregate Value of Calls unpaid by directors and officers : Nil

18 Other Equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Securities Premium		
Balance at the beginning of the Year	5,839.49	5,839.49
Add : Securities premium credited on Share issue	-	-
Less : Securities premium debited on Buyback of shares	-	-
Balance at the end of the Year	5,839.49	5,839.49
General Reserve		
Balance at the beginning of the Year	2,727.41	2,727.41
Add: Appropriations From Current year's Profit	-	-
Balance at the end of the Year	2,727.41	2,727.41
Capital Redemption Reserve		
Balance at the beginning of the Year	16.95	16.95
Add: Transfer from General Reserve	-	-
Balance at the end of the Year	16.95	16.95
Surplus in Statement of Profit and Loss		
Balance at the beginning of the Year	18,432.70	18,550.10
Add : Net Profit for the Year	(1,867.73)	(94.21)
Add : Other Comprehensive Income arising from remeasurement of defined benefit obligation (net of tax)	(9.42)	16.98
Less : Dividend	(40.17)	(40.17)
Less : Tax on Buy Back of Equity Shares	-	-
Balance at the end of the Year	16,515.38	18,432.70
Other Comprehensive Income		
- Fair value gains/(loss) on Equity Instruments	17.16	17.16
- Effective portion of cash flow hedge	(1.11)	(0.58)
Total	25,115.32	27,033.16

NOTES

Securities Premium:

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

Capital Redemption Reserve:

Capital Redemption Reserve represents reserve created during buy back of Equity Shares and it is a non-distributable reserve.

General Reserve:

General Reserve has been created by transfer out of profit generated by the Company and is available for distribution to shareholders. Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

Retained Earnings:

Retained earnings are the profits that the Company has earned till date including effect of remeasurement of defined benefit obligations less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained Earnings is a free reserve available to the Company.

Equity Instruments through Other Comprehensive Income:

This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

Effective portion of Cash Flow Hedges:

This Reserve represents the cumulative effective portion of changes in Fair Value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit or loss or included in the carrying amount of the non-financial asset in accordance with the Company's accounting policy.

19 Non-current Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Secured		
Term Loan		
From HDFC Bank Limited	1,746.76	1,650.00
Total	1,746.76	1,650.00

19.1 Details of security and rate of interest for term loan from HDFC Bank Limited

Primary Security:

First exclusive charge over factory land and building located at plot No. D-2/CH/152, GIDC Dahej, Gujarat.

First exclusive charge over movable fixed assets including Plant and Machinery located at Plot No. D-2/CH/152, GIDC Dahej, Gujarat.

Repayment Terms:

20 quarterly installments of Rs. 150 Lakhs each starting from January 2022

Rate of Interest:

Interest rate for the year ranges between 8.4% to 9.0%

20 Non Current Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provison for Employee Benefits (Ref. Note No.41)		
a. Leave Encashment	46.44	27.09
b. Gratuity	19.02	-
Total	65.46	27.09

21 Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	1,814.67	1,770.73
Add/(Less): Liability/(Assets) for the year	308.20	43.94
Total	2,122.87	1,814.67

NOTES

21.1 Component of Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Depreciation	2,139.53	192.40
b. Employee Benefits	20.79	3.99
c. Other Timing Differences	(37.46)	(6.08)
d. Mat Credit /DTA	(1,814.67)	(146.37)
Total	308.19	43.94

22 Current Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Secured		
Cash Credit/Working Capital Borrowings		
From State Bank of India	2,507.45	212.54
From HDFC Bank Limited	327.93	-
Current Maturities of Long Term Debt		
From HDFC Bank Limited (refer note no.19)	600.00	600.00
Total	3,435.38	812.54

22.1 Details of security for working capital facilities from State Bank of India

Repayment Schedule:

Repayable on Demand

Primary Security:

Exclusive 1st charge by way of hypothecation over entire present and future current assets of the company.

Collateral Security:

"Exclusive 1st charge, by way of Equitable Mortgage and Hypothecation on entire fixed assets (Land, Building, Plant & Machinery) both present and future of the company situated at Survey Nos. 166,167,168 and 169 of Mouje Indrad Village, Kadi - Kalol Road, Chhatral, Taluka Kadi, Dist. Mehsana, Gujarat

- Lien and 1st charge over TDR worth Rs. 25 Lakhs in lieu of waiver of ECGC policy.

Rate of Interest:

Interest rate for the year ranges between 7.80% to 9% (P.Y.2022-23 between 6.25% to 9%)

23 Current Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Micro Enterprises and Small Enterprises	44.64	162.59
b. Others	4,307.82	3,668.71
Total	4,352.46	3,831.30

Refer Note No. 39 for payable to related parties

23.1 Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Principal amount remaining unpaid to any supplier as at the end of accounting year	44.64	162.59
b. Interest due and remaining unpaid to any supplier as at the end of accounting year	-	-
c. Amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
d. Amount of interest due and payable for the reporting 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 MSMED Act, 2006	-	-
e. Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
f. Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006	-	-

The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company.

NOTES

23.2 Ageing of Trade Payables

23.2.1 Ageing of Trade Payables outstanding as on 31/03/2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
a. MSME	44.64	-	-	-	44.64
b. Others	4,293.21	3.39	2.63	8.59	4,307.82
c. Disputed dues – MSME	-	-	-	-	-
d. Disputed dues - Others	-	-	-	-	-
Total	4,337.85	3.39	2.63	8.59	4,352.46

23.2.2 Ageing of Trade Payables outstanding as on 31/03/2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
a. MSME	162.59	-	-	-	162.59
b. Others	3,662.31	6.18	0.22	-	3,668.71
c. Disputed dues – MSME	-	-	-	-	-
d. Disputed dues - Others	-	-	-	-	-
Total	3,824.90	6.18	0.22	-	3,831.30

24 Other Current Financial Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Unpaid dividends*	49.45	59.15
b. Interest Accrued	-	-
c. Payable for Fixed Assets Supplier	-	147.37
d. Other Current financial Liabilities (Including OCI)	0.71	-
Total	50.16	206.52

*The Company has transferred Rs. 10.01 lakhs (Previous year Rs. 11.25 lakhs) in the Investor Education and Protection Fund (IEPF) during the year.

25 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Statutory Dues	35.72	33.63
b. Dues to employees and others	281.33	256.34
c. Credit balance of Customer	5.21	13.17
Total	322.26	303.14

Refer Note No. 39 for payable to related parties

26 Current Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits (Ref. Note No.41)		
a. Bonus	36.16	28.70
b. Leave Encashment	-	14.47
Total	36.16	43.17

27 Revenue from Operations

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Sale of Products		
Export Sales	14,190.84	20,237.65
Domestic Sales	15,413.97	12,223.22
	29,604.81	32,460.87
Other operating revenues	599.89	1,006.99
Total	30,204.70	33,467.86

NOTES

27.1 Other Operating Revenue

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Export incentives	491.00	607.68
Exchange Rate differences	108.89	399.31
Other Revenue	-	-
Total	599.89	1,006.99

28. Other Income

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
a. Interest income	37.16	9.56
b. Dividend income	-	-
c. Net gain on sale of Investments	-	-
d. Net gain on fair valuation of Investments through Profit & Loss	-	-
e. Net Gain on sale of fixed assets	2.51	0.73
f. Other miscellaneous income	5.20	4.88
Total	44.87	15.17

29 Cost of Materials Consumed

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Opening Stock	664.99	1,040.32
Add : Purchases	17,271.07	18,044.62
Sub Total	17,936.06	19,084.94
Less : Closing Stock	654.49	664.99
Total	17,281.57	18,419.95

30 Changes in Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
a. Inventories at the end of the year		-
Stock-in-Trade	163.69	227.37
Finished goods	4,569.85	3,743.74
Work-in-process	451.82	811.03
Total	5,185.36	4,782.14
b. Inventories at the beginning of the year		
Stock-in-Trade	227.37	231.04
Finished goods	3,743.74	4,083.71
Work-in-process	811.03	1,368.79
Total	4,782.14	5,683.54
Total (Increase) / Decrease In Stock	(403.22)	901.40

31. Employee benefit expense

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
a. Salaries and wages	1,047.43	975.76
b. Managerial remuneration including perquisites and commission	151.27	101.80
c. Contribution to provident & other funds	55.70	51.29
d. Staff welfare expenses	75.49	54.53
e. Leave Encashment	7.09	(9.31)
Total	1,336.98	1,174.07

NOTES

32 Finance Costs

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
a. Interest on term loan facilities from bank	160.88	174.82
b. Interest on working capital facilities from bank	167.86	97.37
c. Other borrowing costs	43.93	49.31
Total	372.67	321.50

33 Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
a. Depreciation on property, plant & equipment	1,370.27	1,275.20
b. Amortization of intangible assets	8.05	9.64
Total	1,378.32	1,284.84

34 Other Expenses

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
a. Consumption of Stores & Spares	489.28	509.02
b. Power and Fuel	5,305.48	3,974.52
c. Repairs to Building	32.93	18.27
d. Repairs to Machinery	194.24	208.70
e. Other Repairs	23.62	32.40
f. Pollution Treatment Expenses	800.75	900.05
g. Labour Charges	1,233.36	1,017.33
h. Rent	13.35	19.22
i. Rates & Taxes	10.78	0.94
j. Insurance	68.04	68.69
k. Consumption of Packing Material	410.10	366.96
l. Sundry Debit balances written off	450.93	93.14
m. Expenditure incurred on CSR activities (Refer Note No. 42)	24.10	38.85
n. Freight, Handling, Transportation & other Expenses	337.38	251.62
o. Selling and Distribution Expenses	352.61	570.06
p. Travelling, Conveyance & Vehicle Expenses	381.68	356.66
q. Donation	0.07	2.78
r. Directors Sitting Fees	1.70	1.80
s. Legal & Professional Expenses	330.07	339.47
t. Auditors Remuneration (Refer Note No.34.1)	3.25	3.25
u. General Expenses	118.08	149.08
Total	10,581.80	8,922.81

34.1. Auditor Remuneration & others

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
As auditor :		
Audit fee	2.75	2.75
Tax audit fee	0.50	0.50
Total	3.25	3.25

NOTES

35 Earning Per Share

Earning Per share is calculated by dividing the Profit / (Loss) attributable to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the year. The numbers used in calculating basic and diluted earning per Equity Share as stated below:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Net Profit for the year attributable to Equity Shareholders (Rs. In Lakhs)	(1,867.73)	(94.21)
Weighted Average number of Equity Shares outstanding of Face Value of Rs. 10 each.	80,33,099	80,33,099
Number of Equity Shares for Basic EPS	80,33,099	80,33,099
Number of Equity Shares for Diluted EPS	80,33,099	80,33,099
Nominal Value Per Share (₹)	10	10
Basic Earning Per Share (₹)	(23.25)	(1.17)
Diluted Earning Per Share (₹)	(23.25)	(1.17)

36 Income Taxes

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
The major components of income tax expense for the year as under:		
a. Current tax	-	-
b. Deferred tax		
In respect of Accumulated Depreciation	1,947.13	376.00
In respect of Investments and other timing differences (including OCI)	(14.58)	(17.92)
Mat Credit /DTA	(1,814.67)	(146.37)
Total deferred tax	117.88	211.71
c. Adjustment of tax for earlier years	-	-
Total tax expenses charged to statement of Profit and Loss	117.88	211.71

36.1 Reconciliation of Effective Tax Rate

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Applicable Tax Rate	0.00%	25.17%
Profit before tax	(1,556.19)	(49.90)
Income not considered for tax purpose	-	(9.31)
Expenses not allowed for tax purpose	68.24	118.07
Adjustment for depreciation	(635.51)	(730.94)
Others	-	-
Net Taxable income for the year	(2,123.46)	(672.08)
Effective Tax for the year	-	(169.15)
Additional Tax Liability due to MAT	-	-
Adjustment for income taxable at lower rate	-	-
Total current tax calculated for the year	-	-
Excess provision	-	-
Effective current tax rate for the year	0.00%	0.00%

NOTES

37. Contingent Liabilities and Commitments

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Contingent Liabilities		
a. Appellate order passed by Dy. Commissioner of Commercial Taxes, Appeals-3 at Gandhinagar for the year 2004-05 and Subsequently applied for Appeal at commercial tax commissioner Ahmedabad (VAT Tribunal).	18.03	18.03
b. Assessment order passed by Circle 1(1)(1) Ahmedabad for Asst. Year 2017- 18 for which Appeal filed with CIT (Ahmedabad)	10.28	10.28
c. Assessment order passed by Circle 1(1)(1) Ahmedabad for Asst. Year 2018- 19 for which Appeal filed with CIT (Ahmedabad)	11.40	11.40
d. Bills discounted under Export/Inland Letter of Credit	81.84	101.87
e. Outstanding bank guarantees for contract demand	414.85	414.85
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	25.55	3.46

38 The Company operates in a single segment and in line with Ind AS - 108 - "Operating Segments", the operation of the Company fall under Chemical Business which is considered to be the only reportable business segment.

39. Related Party Disclosures

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the Company are as follows:
Related Parties and Nature of Relationship

39.1 Name of the Related Parties and Nature of Relationship:

A. Enterprises own or significantly influenced by key managerial personnel or their relatives

Asahi Songwon Colors Limited
Skyways
Skyjet Aviation Private Limited
Akshar Silica Private Limited
Chhatral Environment Management System Private Limited
Chelsea Marketing LLP
Mrugesh Jaykrishna Family Trust-2
Munjal M. Jaykrishna Family Trust
Munjal M. Jaykrishna HUF

B. Key Managerial Personnel:

Executive Directors

Mrs. Paru M. Jaykrishna - Chairperson & Managing Director
Mr. Munjal M. Jaykrishna - Jt. Managing Director & CEO
Mr. Ashok D. Barot - Director

Non-executive Directors

Mr. Gokul M. Jaykrishna - Director
Mr. Pradeep Jha - Independent Director
Ms. Maitri K. Mehta - Independent Director
Mr. Jigar M. Patel - Independent Director

Executive officers

Mr. Hardik Shah - Chief Financial Officer
Mr. Meet Joshi - Company Secretary upto 17/11/2023
Mr. Mehul Naliyadhara w.e.f 30/01/2024

C. Relative of Key Managerial Personnel

Mr. Mrugesh Jaykrishna
Ms. Namrata Jaykrishna
Mr. Sachin Jaykrishna

NOTES

39.2 Details of Transactions carried out with related parties referred to in note 39.1 above in the ordinary course of business

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
A. Enterprises own or significantly influenced by key managerial personnel or their relatives		
Asahi Songwon Colors Limited		
Purchase of Goods	49.77	-
Sales of Goods	32.81	41.39
Skyways		
Rent Paid	3.60	2.30
Rates & Taxes	0.75	0.56
Skyjet Aviation Private Limited		
Dividend Paid	0.001	0.001
Chhatral Environment Management System Private Limited		
Effluent Treatment Service Availed	86.84	37.83
Rent Income	6.14	4.96
Sales of By Product	0.02	-
Munjal M. Jaykrishna HUF		
Rent Paid	-	3.75
Chelsea Marketing LLP		
Dividend Paid	1.59	1.59
Mrugesh Jaykrishna Family Trust – 2		
Dividend Paid	15.61	15.61
Munjal M. Jaykrishna Family Trust		
Dividend Paid	7.98	7.98
B. Key Managerial Personnel and their relatives		
Mrs. Paru M. Jaykrishna		
Remuneration, Allowances and Perquisites	60.00	42.00
Mr. Munjal M. Jaykrishna		
Remuneration, Allowances and Perquisites	91.27	59.80
Mr. Ashok Barot		
Director Sitting Fees	0.30	0.40
Salary and allowances	16.95	16.95
Mr. Hardik S. Shah		
Salary and allowances	24.82	22.96
Mr. Meet Joshi		
Salary and allowances	7.23	8.33
Mr. Mehul Naliyadhara		
Salary and allowances	1.54	-

NOTES

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Mr. Mrugesh Jaykrishna		
Consultancy	29.31	29.31
Ms. Namrata Jaykrishna		
Salary and allowances	24.36	24.36
Mr. Sachin Jaykrishna		
Salary and allowances	32.50	32.40
Mr. Pradeep Jha		
Director Sitting Fees	0.46	0.46
Ms. Maitri K. Mehta		
Director Sitting Fees	0.48	0.48
Mr. Jigar M. Patel		
Director Sitting Fees	0.46	0.46

Remuneration does not include the provision made for gratuity, as they are determined on an actuarial basis for the company as a whole Income & expenses are Inclusive of applicable tax

39.3 Outstanding Balance with Related Parties

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Payables/(Receivable)		
Asahi Songwon Colors Limited	2.65	(41.39)
Skyways	0.27	0.27
Skyjet Aviation Pvt. Ltd.	-	0.57
Chhatral Environment Mgt Sysytems Pvt. Ltd.	15.24	30.94
Munjal M. Jaykrishna H.U.F.	-	-
Mrs. Paru M. Jaykrishna	3.43	-
Mr. Munjal M. Jaykrishna	3.18	11.30
Mr. Mrugesh Jaykrishna	2.24	2.24
Ms. Namrata Jaykrishna	1.55	1.55
Mr. Sachin Jaykrishna	2.00	1.50
Mr. Ashok Barot	1.16	1.16
Mr. Hardik S. Shah	1.35	1.04
Mr. Meet Joshi	0.67	0.67
Mr.Mehul Naliyadhara	0.75	-

40. As at March 31, 2024, the Company has only one class of equity shares. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

40.1 Dividend on equity shares paid during the year

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Final Dividend for the Financial Year 2022-2023 (₹ 0.50 per equity shares of ₹ 10/- each)	40.17	40.17

NOTES

41 Disclosures as Required by Indian Accounting Standard (Ind-AS) 19 "Employee Benefits"

(a) Defined contribution plans

Contribution to defined contribution plans, recognised as expense for the year is as under :

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Contribution to provident and other funds	55.70	51.29

(b) Defined benefit plan

Details of defined benefit obligation and plan assets in respect of retiring gratuity are given below :

i) Change in the Defined Benefit Obligation

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Define Benefit Obligation at the beginning	304.85	300.37
Current Service Cost	23.15	20.06
Interest Cost	22.50	21.87
Benefits Paid	(10.56)	(4.10)
Actuarial (Loss)/Gain on Obligation	11.48	(33.34)
Defined Benefit Obligation at the end	351.42	304.85

ii) Change in the fair value of Plan Assets

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Fair Value of plan assets at the beginning	320.40	312.41
Expected Return on Plan Assets	23.67	22.75
Employer Contributions	-	-
Benefits paid	(10.56)	(4.10)
Actuarial Gain/(Loss) on the Plan Assets	(1.10)	(10.66)
Fair Value of plan assets at the end	332.40	320.40

iii) Net Liability/(Asset) recognized in Balance Sheet

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Present value of funded defined benefit obligation at the year end	351.42	304.85
Fair Value of plan assets at the year end	332.40	320.40
Amount recognized in Balance Sheet	19.02	(15.55)

iv) Expenses recognised in Statement of Profit & Loss

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Current Service Cost	23.15	20.06
Interest Cost on Obligation	22.50	21.87
Expected Return on Plan Asset	(23.67)	(22.75)
Defined Benefit Cost included in Statement of Profit & Loss	21.99	19.18

v) Amount recognised in Other Comprehensive Income for the year

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Remeasurements due to experience adjustments	11.48	(33.34)
Return on plan assets	1.10	10.66
Total remeasurements in OCI	12.58	(22.69)

NOTES

vi) Actuarial Assumptions

(i) Financial/Demographic Assumptions :

Particulars	March 31, 2024	March 31, 2023
Mortality Rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability Rate (as % of mortality Rate)	0.00%	0.00%
Withdrawal Rate	2.00%	2.00%
Discount Rate (Per Annum)	7.23%	7.51%
Salary Growth Rate (Per Annum)	8.00%	8.00%

viii Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis on defined benefit obligation is given below :

Particulars	March 31, 2024	March 31, 2023
Sensitivity Level – Discount Rate		
1% Increase	-5.64%	-5.29%
1% Decrease	6.60%	6.16%
Sensitivity Level – Salary Escalation		
1% Increase	7.24%	6.84%
1% Decrease	-6.33%	-6.02%
Sensitivity Level – Employee Turnover		
1% Increase	-0.46%	-0.33%
1% Decrease	0.52%	0.36%

viii) Major Categories of Plan Assets

Particulars	March 31, 2024	March 31, 2023
Insurance policies	100%	100%

ix) Maturity Profile of Defined Benefit Obligations

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Year 1	135.84	131.46
Year 2 to 5	57.74	28.17
More than 5 years	485.54	422.90

x) The weighted average duration of the defined benefit obligation is 7.30 (P.Y. 6.91)

xi) Expected contribution to the defined benefit plan for the next reporting period - ₹ 19.02 (P.Y. Nil)

NOTES

42. Disclosure on Corporate Social Responsibility (CSR) activities u/s 135 of the Companies Act, 2013 is as under:

(₹ in Lakhs)

Particulars	2023-2024	2022-2023
Contingent Liabilities		
1. Gross amount required to be spent by the Company	23.99	37.69
2. Amount spent during the year		
(i) construction/acquisition of any asset	-	-
(ii) on purposes other than (i) above	24.10	38.85
3. Shortfall at the end of the year	-	-
4. Total of previous years' shortfall	-	-
5. Reasons for shortfall	-	-
6. The nature of CSR activities undertaken by the Company		
- Promoting Healthcare	23.50	14.50
- Ensuring Environmental Sustainability	-	5.21
- Promoting Education	0.60	15.14
- Sanitation	-	4.00
7. CSR transactions with related parties	-	-

43. Financial Risk Management – Objectives and Policies

The Company's financial liabilities comprise other than derivatives mainly of borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets, other than derivatives, include trade and other receivables, other balances with banks, loans, investments and cash and cash equivalents that arise directly from its operations.

The Company's activities are exposed to Credit risk, Liquidity Risk and Market risk.

The Board of directors of the Company are overall responsible for the establishment and oversight of the company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The Company's audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

43.1 Credit Risk Management

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers and loans. The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade Receivables and Loans

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base. The company has established a credit policy under which each new customer is analyzed individually for creditworthiness before the company's standard payment and delivery terms and conditions are offered. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the management of the company.

The company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 120 days for customers. More than 85% of the company's customers have been transacting with the company for over five years, and none of these customers' balances are credit-impaired at the reporting date.

Confirmation of balances from Debtors & Loans and Advances received, are being reconciled.

Cash and Cash Equivalents

The company holds cash and cash equivalents of Rs. 15.99 Lakhs at March 31, 2024 (P.Y. Rs. 14.74 Lakhs). The cash and cash equivalents are held with bank and cash on hand.

43.2 Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. The company uses process costing to cost its products, which assists it in monitoring cash flow requirements and optimizing its cash return on investments.

NOTES

43.3 Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

43.4 Interest Rate Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken.

(₹ in Lakhs)

Nature of Borrowing	Change in basis points	Impact on PAT	
		As at 31-03-2024	As at 31-03-2023
Term Facilities from Bank	0.5%	(8.78)	(8.42)
	-0.5%	8.78	8.42
Working Capital Facilities from Bank	0.5%	(9.38)	(0.80)
	-0.5%	9.38	0.80

43.5 Foreign Currency Risk

The company operates internationally and is exposed to currency risk on account of its receivables in foreign currency. The functional currency of the company is Indian Rupee. The company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The company does not use derivative financial instruments for trading or speculative purposes.

I. Foreign Currency Exposure

(in Lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	USD	Euro	GBP	USD	Euro	GBP
Financial Assets						
Trade & Other Receivables	12.94	-	-	16.25	-	-
Less : Forward Contract for selling foreign currency	-	-	-	-	-	-
Total	12.94	-	-	16.25	-	-
Financial Liabilities	-	-	-	-	-	-
Net Exposure	12.94	-	-	16.25	-	-

II. Foreign Currency Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments as below :

(₹ in Lakhs)

Nature of Borrowing	Change in basis points	Impact on PAT	
		2023-24	2022-23
USD	5%	40.38	49.96
USD	-5%	(40.38)	(49.96)
EURO	5%	-	-
EURO	-5%	-	-
GBP	5%	-	-
GBP	-5%	-	-

43.6 Price Risk

Investment Price Risk

The company's exposure to price risk arises from investments in equity and mutual fund held by the company and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investments, the company diversifies its portfolio.

Sensitivity Analysis

The table below summarises the impact of increase/decrease of the index on the company's equity and profit for the period. The analysis is based on the assumption that the price of the instrument has increased by 3% or decreased by 3% with all other variables held constant.

NOTES

Nature of Borrowing	Movement in Rate	Impact on PAT	
		₹ in Lakhs	
		2023-24	2022-23
Equity Shares (Quoted)	3%	0.01	0.01
Equity Shares (Quoted)	-3%	(0.01)	(0.01)

Commodity Price Risk

Principal Raw Material for company's products is Acetanilide, CPC Blue & Sodium Silicate. Company sources its raw material requirements from domestic markets. Company effectively manages availability of material as well as price volatility through well planned procurement and inventory strategy and also through appropriate contracts and commitments.

Sensitivity Analysis

The table below summarises the impact of increase/decrease in prices of Acetanilide, CPC Blue & Sodium Silicate by Rs. 1 per kg on profit for the period.

Particulars	Impact on PAT	
	2023-2024	2022-2023
Rs. 1 decrease in price of Acetanilide	22.26	21.95
Rs. 1 Increase in price of Acetanilide	(22.26)	(21.95)
Rs. 1 decrease in price of CPC Blue	5.66	6.05
Rs. 1 Increase in price of CPC Blue	(5.66)	(6.05)
Rs. 1 decrease in price of Sodium Silicate	92.89	76.25
Rs. 1 Increase in price of Sodium Silicate	(92.89)	(76.25)

44. Capital Management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The company monitors capital using gearing ratio, which is net debt divided by total equity plus debt.

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings	5,182.14	2,462.54
Less : Cash & Cash Equivalents Including investment in Liquid Fund.	15.99	14.74
Net Debt (A)	5,166.15	2,447.80
Total Equity	25,918.63	27,836.47
Equity and Net Debt (B)	31,084.78	30,284.27
Gearing Ratio (A/B)	0.17	0.08

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest bearing loans and borrowing in the current period.

As at March 31, 2024, the Company has only one class of equity shares. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024.

45. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the balance sheet, if realised in the ordinary course of the business. Provision for depreciation and all known liabilities have been made in accounts.

46. In terms of Ind As 36 – Impairment of Assets issued by ICAI, the management has reviewed its fixed assets and arrived at the conclusion that impairment loss which is difference between the carrying amount and recoverable value of assets, was not material and hence no provision is required to be made.

47. Financial Instruments – Fair Values & Risk Management

47.1 Accounting Classifications & Fair Value Measurements

The fair values of the financial assets and liabilities are measured at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

All financial instruments are initially recognized and subsequently re-measured at fair value as described below :

- The fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.
- Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.

NOTES

3. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.
4. The fair value of forward foreign exchange contracts and currency swaps is determined using forward exchange rates and yield curves at the balance sheet date.
5. The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:
Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 : Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

I. Figures as at March 31, 2024

(₹ in Lakhs)

Particulars	Carrying Amount	Fair value	
		Level 1	Level 2
Financial assets at amortised cost:			
Security Deposits (Non-Current)	194.40	-	194.40
Trade Receivables	4,734.23	-	4,734.23
Cash and Cash Equivalents	15.99	-	15.99
Bank Balances Other than Cash and Cash Equivalents	243.60	-	243.60
Other Current Financial Assets	37.21	-	37.21
Total	5,225.43	-	5,225.43
Financial assets at fair value through profit or loss:			
Investments (Current)	-	-	-
Investments (Non-Current) (as per Note no. 6)	0.38	0.27	0.11
Total	0.38	0.27	0.11
Financial assets at fair value through other comprehensive income			
Investments (Non-Current)	-	-	-
Total	-	-	-
Financial liabilities at amortised cost:			
Borrowings (Non-Current)	1,746.76	-	1,746.76
Borrowings (Current)	3,435.38	-	3,435.38
Trade Payables	4,352.46	-	4,352.46
Other financial liabilities	50.16	-	50.16
Total	9,584.76	-	9,584.76

NOTES

II. Figures as at March 31, 2023

(₹ in Lakhs)

Particulars	Carrying Amount	Fair value	
		Level 1	Level 2
Financial assets at amortised cost:			
Security Deposits (Non-Current)	185.73	-	185.73
Trade Receivables	3,615.69	-	3,615.69
Cash and Cash Equivalents	14.74	-	14.74
Bank Balances Other than Cash and Cash Equivalents	159.11	-	159.11
Other Current Financial Assets	31.76	-	31.76
Total	4,007.03	-	4,007.03
Financial assets at fair value through profit or loss:			
Investments (Current)	-	-	-
Investments (Non-Current) (as per Note no. 6)	0.38	0.27	0.11
Total	0.38	0.27	0.11
Financial assets at fair value through other comprehensive income			
Investments (Non-Current)	-	-	-
Total	-	-	-
Financial liabilities at amortised cost:			
"Borrowings (Non-Current)"	1,650.00	-	1,650.00
Borrowings (Current)	812.54	-	812.54
Trade Payables	3,831.30	-	3,831.30
Other financial liabilities	206.52	-	206.52
Total	6,500.36	-	6,500.36

48. Borrowing based on security of current assets

(₹ in Lakhs)

Quarter	Name of Bank	Particulars of securities provided	Amount as per books of accounts	Amount as reported in quarterly return/statement	Amount of difference	Reason for material discrepancies
June, 2023	State Bank of India	Inventory	4369.33	4871.11	(501.78)	Refer Note Below
June, 2023	State Bank of India	Trade Receivable	5526.00	4930.62	595.38	
September, 2023	State Bank of India	Inventory	5022.85	4564.86	457.99	
September, 2023	State Bank of India	Trade Receivable	4789.80	5355.63	(565.83)	
December, 2023	State Bank of India	Inventory	5810.34	4568.01	1,242.33	
December, 2023	State Bank of India	Trade Receivable	5283.04	6464.10	(1,181.06)	
March, 2024	State Bank of India	Inventory	6486.08	5434.56	1,051.52	
March, 2024	State Bank of India	Trade Receivable	4734.23	5764.94	(1,030.71)	

Note- 'Reason for material discrepancies'

- The differences in inventories and trade receivables are majorly on account of goods in transit where the goods have been physically dispatched from the Company location however, the same has not been considered as revenue from the purpose of revenue recognition principles and hence reversed from books of accounts for respective quarter ends.
- The management, basis their understanding with banks, submits stock statement of physical stock as available at respective locations at the period end. Accordingly adjustment for goods in transit (inward and outward) is not considered for the purpose of filing returns with banks.
- There are other differences on account of regrouping and reclassification of trade receivable balances. The Company has filed provisional return with banks for the quarter ended March 31 2024, as per the due date and subsequently filed final return with respective banks where amounts as per return matches with underlying books of accounts as at March 31, 2024.

NOTES

49 Key Ratio

(₹ in Lakhs)

Sr. Ratio No	Amount 2023-24	Ratio 2023-24	Amount 2022-23	Ratio 2022-23	% Deviation	Reason for variance
1 Current Ratio						
Current Assets	13,021.94	1.59	11,687.49	2.25	-29.36%	Degradation in the ratio is on account of increase in working capital gap
Current Liabilities	8,196.42		5,196.68			
2 Debt-to-equity Ratio						
Total Borrowing	5,182.14	0.20	2,462.54	0.09	126.01%	Increase in borrowing leads to Decrease in Debt to equity Ratio
Shareholder's Equity	25,918.63		27,836.47			
3 Debt Service Coverage Ratio						
Earnings Available for Debt Servicing	-119.25	-0.12	1,511.40	1.64	-107.47%	Decrease due to decrease in earnings available
Interest and Principal Repayments	972.67		921.50			
4 Return on Equity Ratio						
Net Profit After Tax	(1,867.73)	-6.95%	-94.21	-0.34%	1958.25%	Decrease due to decrease in Net Profit
Average Shareholder's Equity	26,877.55		27,904.21			
5 Inventory Turnover Ratio						
Net Sales	29,604.81	4.77	32,460.87	4.93	-3.20%	No major variance
Average Inventory	6,209.98		6,590.98			
6 Receivables Turnover Ratio						
Net Sales	29,604.81	7.09	32,460.87	7.29	-2.69%	Ratio has improved due to better working capital management
Average Accounts Receivable	4,174.96		4,454.43			
7 Payables Turnover Ratio						
Net Credit Purchases plus Other Expenses	29,110.51	7.11	29,475.79	6.67	6.74%	No major variance
Average Trade Payables	4,091.88		4,422.30			
8 Net Capital Turnover Ratio						
Net Sales	29,604.81	6.14	32,460.87	5.00	22.68%	Increase in ratio due to increase in working capital
Working Capital	4,825.52		6,490.81			
9 Net Profit Ratio						
Profit After Tax	(1,867.73)	-6.31%	-94.21	-0.29%	2073.78%	Decrease due to decrease in Net Profit
Net Sales	29,604.81		32,460.87			
10 Return on Capital employed Ratio						
EBIT	-1,183.52	-3.56%	271.60	0.85%	-521.09%	Decrease due to decrease in EBIT
Capital Employed	33,201.49		32,083.61			
11 Return on investment Ratio Fixed Income Investments (FD, Bonds, Debentures & Preference Shares)						
Interest Income + Profit on redemption	37.16	25.27%	9.56	9.62%	162.59%	Increase due to increase rate of Interest
Average investment in Fixed Income investments	147.06		99.35			

NOTES

50. The Company does not held any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. Hence any proceeding has not been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
51. The Company does not have any transactions with companies struck off.
52. As on March 31, 2024 there is no unutilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.
53. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
54. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
55. The company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.
56. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- 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 to or on behalf of the Ultimate Beneficiaries
57. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- 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 to or on behalf of the Ultimate Beneficiaries
58. On 3rd May, 2024 Company has informed to both exchanges that a fire broke out on 2nd May, 2024 at around 04:30 p.m. (IST) in the Dry zone of VS Plant of the Company located at Village: Indrad, Chhatral-Kadi Road, Mahesana-382715. Due to fire incident, production operation of the said Dry Zone plant disrupted. However, there were no human injuries or casualties reported. The Company is in the process of ascertaining the cause of the fire and the actual loss caused by it. The Company has adequate insurance coverage and has informed the insurance company about such incident. The initial estimated loss of the material stock at dry zone of VS plant is around Rs. 3.15 crores. The initial estimated loss of Plant & Machinery, Building and other assets is around 5.35 crores. However, on detailed inspection of the Plant & Machinery, Building etc. the extent of damages would be known.
59. The Parliament of India has approved the Code on Social Security, 2020 (the Code) which may impact the contributions by the Company towards provident fund, gratuity and ESIC. The Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. Final rules are yet to be notified. The Company will assess the impact of the Code when it comes into effect and will record related impact, if any.
60. Previous year's figures have been regrouped/re-arranged/recasted, wherever necessary, so as to make them comparable with current year's figures.

As per our Report of even date attached.

For **Talati & Talati LLP**
Chartered Accountants
Firm Registration No.110758W/W100377

Umesh Talati
(Partner)
Membership No. 034834

Place : Ahmedabad
Date: May 29, 2024

Hardik S.Shah
Chief Financial Officer
(ICAI M.No.: 132449)

Mehul Naliyadhara
Company Secretary
(ICSI M.No.: ACS 39558)

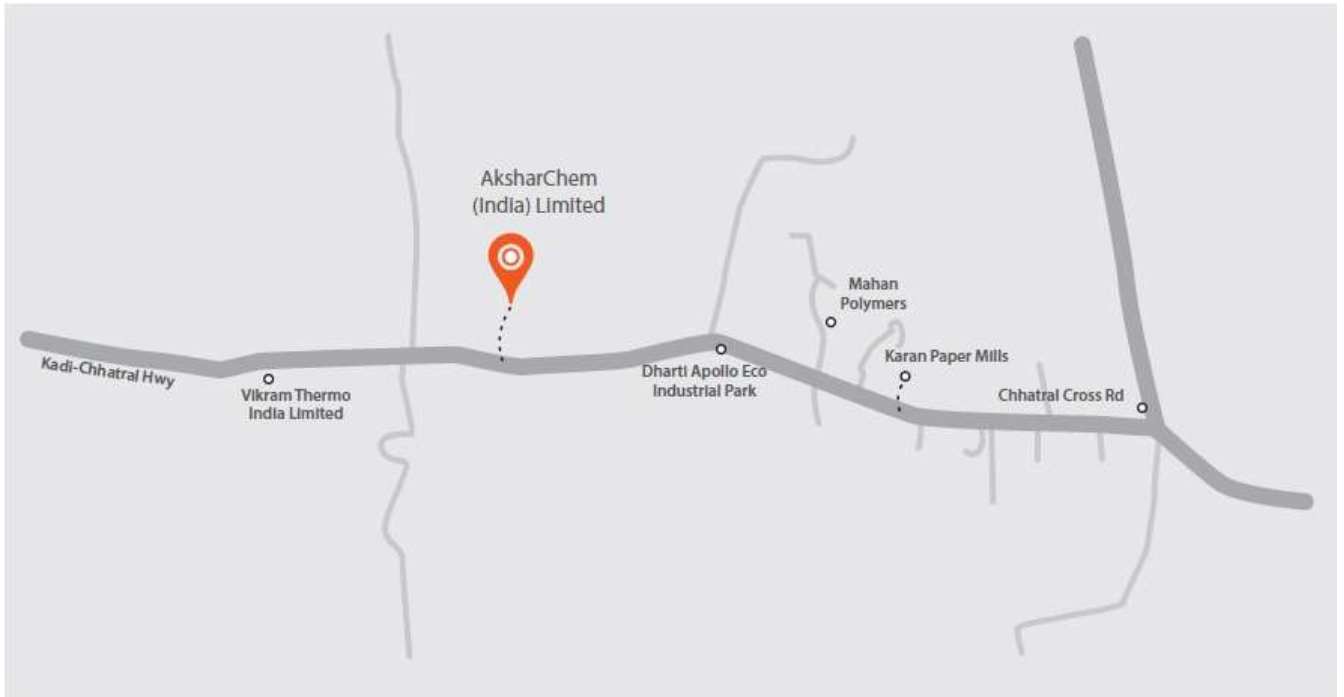
For and on behalf of the Board of Directors
AksharChem (India) Limited

Paru M. Jaykrishna
Chairperson & Mg. Director
DIN: 00671721

Munjal M. Jaykrishna
Jt. Managing Director & CEO
DIN: 00671693

Place :Ahmedabad
Date: May 29, 2024

CHHATRAL CROSS ROAD TO AKSHARCHEM (INDIA) LIMITED
Route map to AGM



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mrs. Paru M. Jaykrishna
Chairperson & Mg. Director

Mr. Munjal M. Jaykrishna
Jt. Managing Director & CEO

Mr. Gautam M. Jain*
Independent Director

Dr. Pradeep J. Jha*
Independent Director

Mr. Jigar M. Patel
Independent Director

Ms. Maitri K. Mehta
Independent Director

Mr. Gokul M. Jaykrishna
Non-Executive Director

Mr. Ashok D. Barot
Executive Director

Mr. Nirav K. Shah**
Additional Director

Mr. Sameer S. Sinha**
Additional Director

Mr. Keyur D. Gandhi**
Additional Director

Mr. Sachin M. Jaykrishna**
Additional Director

CHIEF FINANCIAL OFFICER

Mr. Hardik Shah

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Mehul Naliyadhara***

STATUTORY AUDITORS

M/s. Talati & Talati LLP,
Chartered Accountants,
Ahmedabad

REGISTERED OFFICE

Akshar House,
Chhatral Kadi Road,
Inrad – 382 715,
Mahesana, Gujarat (India)
Tel : +91 2764 233007 to 10
email : cs@aksharchemindia.com
Website: www.aksharchemindia.com
CIN: L24110GJ1989PLC012441

CORPORATE OFFICE

Corporate House No. 8,
Arista at 8,
Behind Rajpath Club,
Bodakdev,
Ahmedabad – 380 054

WORKS

166 –169, Village Inrad,
Kadi Kalol Road, Dist. Mehsana
Gujarat – 382 715 (India)

Plot No. D-2/CH/152,
Dahej-2 Industrial Estate,
G.I.D.C. Dahej,
Gujarat (India)

BANKERS

State Bank of India
HDFC Bank Limited

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd.
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West),
Mumbai – 400 083
Ph: 022 49186270

STOCK EXCHANGES

BSE Limited
(Script Code – 524598)
Mumbai

**National Stock Exchange of
India Ltd**
(Symbol – AKSHARCHEM)
Mumbai

* Cessation due to completion of tenure on 11th August, 2024

** Appointed on 2nd August, 2024

*** Appointed on 30th January, 2024

AksharChem[®]

Aksharchem (India) Limited

CIN: L24110GJ1989PLC012441

"Akshar House"
Chhatral Kadi Road,
Indrad – 382 715,
Mehsana, Gujarat (India)