

August 09, 2024

<b>The National Stock Exchange of India Ltd</b> Listing Department Exchange Plaza Bandra Kurla Complex, Bandra (East), Mumbai - 400 051  <b>Company Symbol: DMCC</b>	<b>BSE Limited</b> Department of Corporate Services Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001  <b>Scrip Code : 506405</b>
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**Sub:** Submission of Notice of the 103<sup>rd</sup> Annual General Meeting ('AGM') and Annual Report for the Financial Year 2023-24

Dear Sir/Madam,

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the electronic copy of the **Annual Report of the Company for the Financial Year 2023-24** along with the Notice of 103<sup>rd</sup> Annual General Meeting (AGM) of the Company scheduled to be held on **Wednesday, September 04, 2024 at 11:30 a.m. (IST)** through Video Conferencing("VC") / Other Audio - Visual Means ("OAVM") in accordance with the relevant circulars issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI) which is sent to all the members whose email IDs were registered with the Company / Depository Participant(s)/ Registrar and Transfer Agents (RTAs). The AGM will be held without the physical presence of the Shareholders at a common venue.

The Annual Report of the Company for the Financial Year 2023-24 along with the Notice of 103<sup>rd</sup> AGM of the Company is also available on the website of the Company at [www.dmcc.com](http://www.dmcc.com) and can be accessed from the web-link given below:

[https://www.dmcc.com/Media/pdf/DMCC-Annual-Report\\_2023-24.pdf](https://www.dmcc.com/Media/pdf/DMCC-Annual-Report_2023-24.pdf)

Also, for the convenience of shareholders, Notice of 103<sup>rd</sup> AGM is uploaded separately on the website of the Company at [www.dmcc.com](http://www.dmcc.com) and can be accessed from the web-link given below:

[https://www.dmcc.com/Media/pdf/AGM-Notice\\_2023-24\\_DMCC.pdf](https://www.dmcc.com/Media/pdf/AGM-Notice_2023-24_DMCC.pdf)

You are requested to kindly take the same on your record.

Thanking you,

**For DMCC Speciality Chemicals Limited**

(Formerly known as "The Dharamsi Morarji Chemical Company Ltd.")

**Sunil Kumar Goyal**  
**Chief Finance Officer**  
**Encl:** As Above

**DMCC SPECIALITY CHEMICALS LIMITED**  
(Formerly known as "The Dharamsi Morarji Chemical Company Limited")

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CIN NUMBER:L24110MH1919PLC000564

**DMCC Speciality Chemicals Limited**  
Formerly known as The Dharamsi Morarji Chemical Company Limited  
**Annual Report 2023-24**



**Evolving  
Through  
Challenges,**

**Emerging  
Stronger**

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Learn more on our website  
[www.dmcc.com](http://www.dmcc.com)



#### Manufacturing Infrastructure

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#### Sustainability Initiatives

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### Key Performance Highlights

#### Revenue from Operations

**₹327.95 cr**

FY24



₹386.65 cr  
FY23

(15.18)%  
Y-O-Y

#### Profit After Tax

**₹11.59 cr**

FY24



₹6.93 cr  
FY23

67.24%  
Y-O-Y

#### EBITDA (Including Other Income)

**₹46.72 cr**

FY24



₹38.79 cr  
FY23

20.44%  
Y-O-Y

#### Forward-looking statement

This document contains statements about expected future events, financial and operating results of DMCC Speciality Chemicals Limited (formerly known as The Dharamsi Morarji Chemical Company Limited), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the management's discussion and analysis in this Annual Report.

# Evolving Through Challenges, Emerging Stronger

In the dynamic and often unpredictable landscape of the chemical industry, the past year has been a true test of our resilience and adaptability. At DMCC Speciality Chemicals Limited (DMCC), we have faced numerous challenges head-on, from economic uncertainties and geopolitical tensions to fluctuating market demands. Yet, through it all, we have remained steadfast in our commitment to innovation, sustainability, and excellence.

Our journey has been one of continuous evolution. We have embraced change, leveraging our deep industry expertise and robust operational capabilities to navigate turbulent times. Our strategic investments in capacity building and sustainability have not only fortified our business but also positioned us for future growth. We have turned obstacles into opportunities, using every challenge as a stepping stone towards a stronger, more resilient future.

The past year has seen us implement several key initiatives that have strengthened our business. We have focused on enhancing our operational efficiency, reducing our carbon footprint, and promoting the use of renewable energy sources. Our people, the heart of our organisation, have shown remarkable dedication and ingenuity. Their unwavering commitment has driven our success, enabling us to innovate and adapt in the face of adversity.

Our sustainability initiatives have further underscored our commitment to creating a positive impact on the environment and the communities we serve.

As we look to the future, we remain optimistic and prepared to seize emerging opportunities. Our journey is far from over, and we are confident that our strategic vision and collective resilience will continue to drive us forward. Together, we are Evolving Through Challenges, Emerging Stronger.

## About the Company

# Pioneering the Chemistry of Progress

Established in 1919, DMCC Speciality Chemicals Limited has been at the forefront of the Indian chemical industry, pioneering the production of sulphuric acid and phosphate fertilisers. Our journey began with a single product and manufacturing unit, but our unwavering commitment to innovation and excellence has propelled us to become a fully integrated speciality chemical company, specialising in sulphur, boron, and ethanol chemistry.

Today, our products are exported to over 22 countries worldwide, catering to a diverse range of industries, including pharmaceuticals, detergents, dyes, fertilisers, pigments, and cosmetics etc. With two state-of-the-art manufacturing units and a team of over 400 dedicated professionals, we continue to push the boundaries of what's possible, delivering tailor-made solutions that exceed customer expectations.

### Our Guiding Principles



#### Mission

To deliver excellence in the chemical industry by cultivating cutting-edge research, investing in our workspace, and committing to sustainable practices that drive growth and impact.



#### Vision

To harness the power of chemistry to create value for our customers while upholding our merits of reliability and sustainability.



#### Values

Sustainability

Excellence

Integrity

Customer Satisfaction

Trust

# 100+

Years of industry experience

# 35

Products manufactured

# 2

State-of-the-art manufacturing facilities

# 50%

Share of bulk chemicals in FY24

# 50%

Share of speciality chemicals in FY24



### Embracing Sustainability, Driving Impact

At DMCC, we are more than just a company; we are a partner on the journey towards a sustainable future. Our resolute commitment to the environment and sustainability is woven into the fabric of our operations. Through consistent research and development efforts, we have commercialised processes for downstream sulphur-based chemicals, enabling us to offer reliable and cost-effective products and processes to our customers while minimising our environmental footprint.



## Manufacturing Infrastructure

# Advanced Infrastructure with Unmatched Capabilities

At DMCC Speciality Chemicals Limited, our manufacturing infrastructure is the backbone of our operations, enabling us to deliver high-quality products to our global clientele. With state-of-the-art facilities in Dahej and Roha, we are equipped to meet the diverse needs of our customers while maintaining the highest standards of safety, efficiency, and sustainability.

## Manufacturing Facility - Roha Site

Our Roha manufacturing facility, established in 1978, is a cornerstone of our operations. Situated on an expansive 88,355 square metre plot, this site specialises in sulphur chemistry and houses our in-house R&D centre. The facility boasts a capacity to produce 300 MT/day of sulphuric acid and is equipped with 10 dedicated and 3 multi-purpose plants, ensuring flexibility and efficiency in production.

The Roha site is designed with sustainability in mind, incorporating the best global standards in our processes, including carbon emissions per ton of product. We continue to manage our process and sanitary waste responsibly. With 25% of the total area available for future expansion, we are well-positioned to scale our operations as demand grows. Our team of 245+ skilled professionals at Roha is committed to maintaining the highest standards of safety, quality, and environmental stewardship.

### 10 + 3

Dedicated and Multipurpose Plants

### 245+

Team Members

### 25%

Of Total Area Available for Expansion

### Focused

On further reduction of Carbon Emission

## Manufacturing Facility - Dahej Site

Our Dahej manufacturing facility, acquired through the amalgamation of Borax Morarji Limited, is a testament to our strategic focus on boron and sulphur chemistry. Established in 2013, the Dahej site spans 1,03,327 square metres and is equipped with 8 dedicated and 2 multi-purpose plants. This facility is designed to accommodate future growth, with 50% of the total area available for further development after the completion of upcoming capital expenditures.

The Dahej site is equipped with a waste effluent treatment facility and plans for a zero liquid discharge (ZLD) system and a sewage treatment plant (STP) to ensure environmentally responsible operations. Our team of 159+ skilled professionals at Dahej is supported by an in-house engineering services team, ensuring timely implementation of new products on a commercial scale.

### 8 + 2

Dedicated and Multipurpose Plants

### 50%

Of Total Area Available for Expansion

### 159+

Team Members

### Awarded

Responsible Care Certificate

Our facilities house an array of chemical reactions that form the cornerstone of our production processes.

### These include

①

Esterification

②

Sulphonation

③

Ethylation

④

Methylation

⑤

Chlorosulphonation



## The DMCC advantage

### Seamless availability

Our unique advantage lies in the availability of kilo-to-tonne lots, readily accessible for seed marketing and application development.

### Enhanced flexibility

We are home to cutting-edge manufacturing facilities that offer a broad temperature range, advanced vacuum systems, and an assortment of materials for construction.

### Power of technology

Our facilities are equipped to execute a variety of unit operations with utmost precision and efficiency.

## Certifications and Accreditations



ISO 9001:2015 Certification for Quality Management Systems at both sites



Responsible Care Certification for both sites

# Tailored Solutions and Lasting Relationships

## A few Marquee Clients We Serve



### Product Category

## Bulk Chemicals

### About the Category

Our bulk chemicals segment includes high-volume, essential products such as sulphuric acid, oleum, and chloro sulphonic acid. These chemicals are critical inputs for various industries, including detergents, dyes, and fertilisers. Despite the inherent volatility in this segment, we maintain optimal capacity utilisation and focus on operational efficiency to deliver reliable and cost-effective solutions to our customers.

### Industries Served

Fertilisers

Detergents

Dyes and more

## Speciality Chemicals

The speciality chemicals segment is where our expertise truly shines. We manufacture a range of high-value products, including benzene sulphonic acid, phenol sulphonic acid, and sodium benzene sulphonate. These chemicals are used in diverse applications, from pharmaceuticals to cosmetics. Our strong process competencies and technical skills in handling hazardous reactions enable us to deliver products that meet the highest standards of quality and performance.

Agro-chemicals  
Detergents

Dyes

Pigments

Pharmaceuticals

Cosmetics

Polymers

Coatings

Syntans

Flavor and  
fragrance

Rubber industry

Emulsions for paint  
and adhesives

Thermal paper  
coatings

## Boron Chemistry

Our boron chemistry segment has gained significant traction, with products such as boric acid, borax pentahydrate, and zinc borate. These chemicals find applications in various industries, including ceramics, detergents, and electroplating. Our strategic focus on boron chemistry, coupled with our backward integration initiatives, positions us well for future growth and innovation in this segment.

Ceramic  
and Tiles

Detergents

Electroplating

Steel

Thermal power  
stations

Brake fluids

Pharmaceuticals

Fertilisers

### Global Presence

# Expanding Our Global Footprint

## Total Exports as % of Overall Sales

**27%**  
Total Exports

Continents as % Contribution to Overall Export Revenues

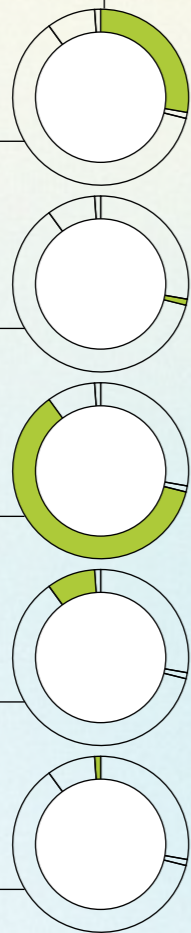
**28%**  
North America

**1%**  
South America

**61%**  
Europe

**9%**  
Asia

**1%**  
Australia



**Mumbai, India**  
Corporate Office

**Dahej, Gujarat, India**  
Manufacturing Site

**Roha, Maharashtra, India**  
Manufacturing Site

**DMCC (Europe) GmbH, Germany**  
International Office

map not to scale only for illustration purpose

## Research and Development Initiatives

# Unlocking Potential with Cutting-Edge R&D

Our in-house Research and Development (R&D) team is the cornerstone of our efforts to stay ahead in the competitive chemical industry. By focusing on process improvements, new product development, and novel applications for existing products, our R&D division drives our mission to deliver excellence and create value for our customers.

Our R&D division is recognised by the Council of Scientific and Industrial Research, Government of India, a prestigious recognition granted to companies with deep technical know-how, process development capabilities, and robust R&D infrastructure.



## Focused Research and Development

Our R&D team plays a pivotal role in developing and patenting new products. From literature surveys and laboratory trials to pilot plant operations and commercial production, our R&D team is actively involved at every stage. This comprehensive involvement ensures that our processes are not only innovative but also economically viable and environmentally sustainable.

**₹ 1.09 crores**

Investment in R&D during the year

Our R&D team comprises experienced scientists and engineers equipped with state-of-the-art analytical and experimental tools. Located at our manufacturing plant, the team manages pilot plants, enabling rapid scale-up from laboratory to commercial production. The R&D team is also responsible for initial commercial production and handover to the manufacturing team, ensuring that processes are safe, efficient, and cost-effective.

## 3 Key Thrust Areas

Process Improvement

New Product Development

New Applications

## Recognised By

Council of Scientific and Industrial Research, Government of India

## 25+ Dedicated Professionals

Driving Innovation



Key Performance Indicators

# Measuring Success Amidst Challenges

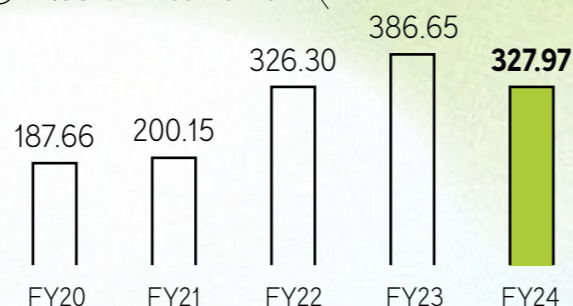
The past year has been a period of significant challenges for DMCC Speciality Chemicals Limited, marked by economic headwinds, intense competition, and fluctuating market demands. Despite these obstacles, we have remained steadfast in our commitment to resilience and strategic growth. By focusing on these critical metrics, we continue to identify opportunities for improvement and implement strategies to enhance our operational efficiency and financial stability.

### Revenue From Operations

(In ₹ crores)

⬇️ -15.18% Y-O-Y

⬆️ 14.98% 4 Year CAGR



### EBITDA

(In ₹ crores)

⬆️ 20.47% Y-O-Y

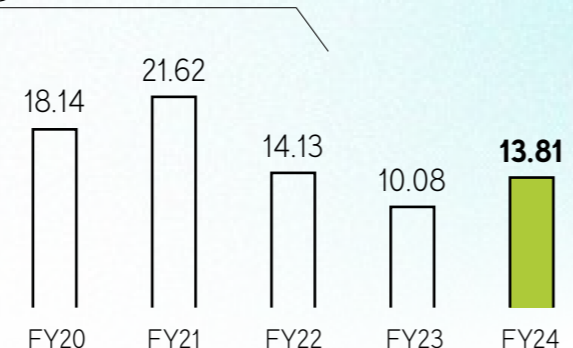
⬆️ 8.23% 4 Year CAGR



### EBITDA Margin

(In %)

⬆️ 373 BPS Y-O-Y

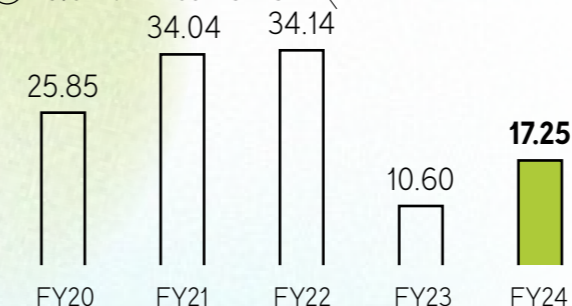


### Profit Before Tax

(In ₹ crores)

⬆️ 62.74% Y-O-Y

⬇️ -9.62% 4 Year CAGR

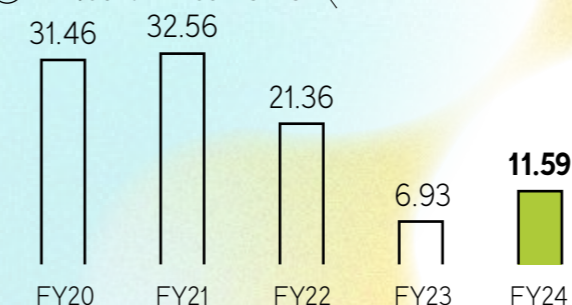


### Profit After Tax

(In ₹ crores)

⬆️ 67.24% Y-O-Y

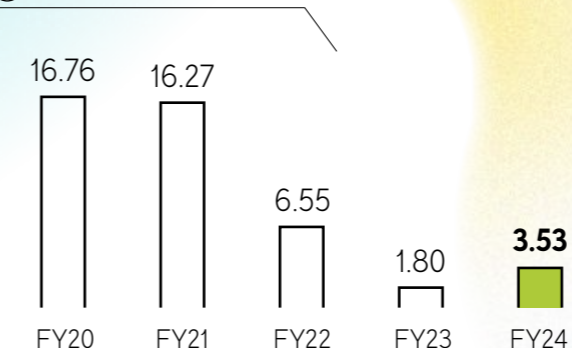
⬇️ -22.09% 4 Year CAGR



### Profit After Tax Margin

(In %)

⬆️ 173 BPS Y-O-Y



### Shareholder Fund

(In ₹ crores)

⬆️ 5.69% Y-O-Y

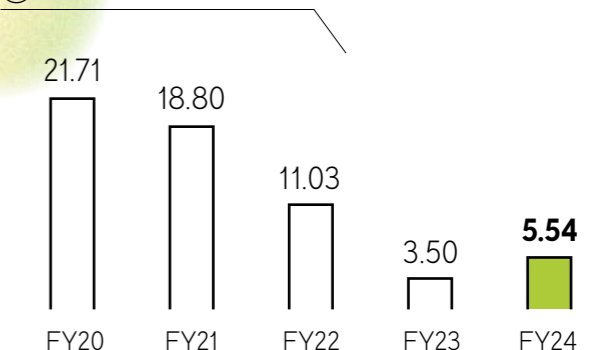
⬆️ 9.66% 4 Year CAGR



### Return on Equity

(In %)

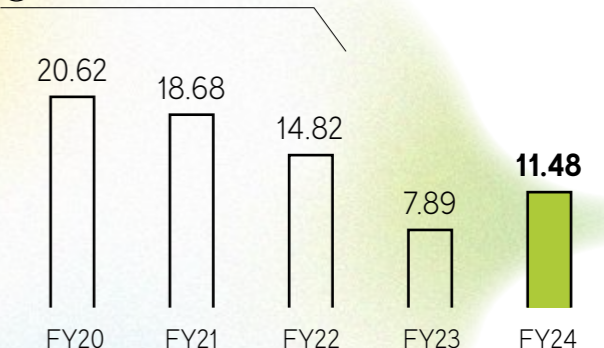
⬆️ 204 BPS Y-O-Y



### Return on Capital Employed

(In %)

⬆️ 359 BPS Y-O-Y



# Building a Stronger Tomorrow Together

## Dear Shareholders,

As we reflect on the past year at DMCC, we are filled with gratitude and a renewed sense of purpose. The challenges we have faced have been significant, and while our performance may not have reached the heights we aimed for, the dedication and perseverance of our team have been truly commendable.

The chemical industry has undergone a period of intense volatility and uncertainty. Economic fluctuations, geopolitical tensions, and shifting market demands have tested our resilience.

Despite these hurdles, we have maintained our commitment to our core values and strategic objectives. Our ability to navigate through such turbulent times is a testament to our collective strength and unwavering resolve.



## Our Commitment to Sustainability

For us, sustainability is more than just a corporate responsibility; it is a core principle that guides our business strategy. We understand that our long-term success is deeply connected to our ability to operate in an environmentally responsible and socially inclusive manner. Over the past year, we have made significant progress on our sustainability journey.

A major milestone was achieving the Responsible Care certification for our Dahej site, highlighting our dedication to environmental stewardship and safety. We have implemented numerous initiatives to reduce our carbon footprint, manage water and waste responsibly, and increase the use of renewable energy sources. Our Waste Heat Recovery power plant, operational since August, marks a significant step towards energy self-sufficiency, reducing our dependence on the grid and advancing our sustainability goals.

Our commitment to sustainability also encompasses social and governance dimensions. Through various Corporate Social Responsibility (CSR) initiatives, we strive to promote coexistence, support education, and provide healthcare services. Our "Sah-Jeevan" programme provides relief for injuries and livestock losses due to wildlife, while the "Prahari" initiative creates an anti-poaching network involving community and forest department members.

## Empowering Our People

We are committed to creating an inclusive work environment that fosters professional growth, innovation, and collaboration. Our workforce has been crucial in overcoming challenges, and we invest in their development and well-being. We encourage employees to continuously upgrade their skills through comprehensive training programs and continuing education, both external and internal. Employees opting for executive education courses receive full support from the company.

Safety is paramount at DMCC. We conduct regular safety training, celebrate Safety Week, and hold mock emergency drills. We also prioritise community health by sponsoring programs such as blood donation camps, eye testing camps, Pulse Polio Abhiyan, and medical tests.

**"Our commitment to innovation extends beyond product development to include process innovations that enhance efficiency and cost control. We have invested in state-of-the-art production facilities and advanced research initiatives to refine our manufacturing processes. By focusing on process innovation, we ensure we maintain our leadership as cost-effective manufacturers, delivering high-quality products while optimising operational efficiencies and controlling costs."**

Regular medical tests are conducted for all personnel, and a doctor is available at our plant daily. An ambulance is on standby 24x7 for emergencies within the factory or the community.

## Driving Innovation & Growth

Innovation and research are the cornerstones of our success at DMCC. Our strong innovation pipeline has positioned us on the brink of commercialising several new products within the speciality chemicals domain. Our focus on research and development has enabled us to stay ahead of industry trends and deliver tailored solutions to our customers.

Boron chemistry has been a key area of focus. We have increased production capacities to meet future demand and undertaken a strategic capital expenditure initiative to establish backward integration for our Boric acid facility. This has strengthened our competitive position and prepared us for growth as market conditions improve.

Our commitment to innovation extends beyond product development to include process innovations that enhance efficiency and cost control. We have invested in state-of-the-art production facilities and advanced research initiatives to refine our manufacturing processes. By focusing on process innovation, we ensure we maintain our leadership as cost-effective manufacturers, delivering high-quality products while optimising operational efficiencies and controlling costs. These efforts lay a strong foundation for sustained growth and position us to continue providing exceptional value to our customers.

## Engaging with Our Community

Our commitment to sustainability and social responsibility extends to our community engagement efforts. We believe that businesses have a duty to

contribute positively to the communities they operate in. Over the past year, we have undertaken numerous initiatives to improve the quality of life for our community members. Our CSR initiatives have focused on promoting education, healthcare, and environmental conservation. We have supported educational programmes that explore biodiversity in the Ratnagiri District and provided nutritional support, physiotherapy, and vocational training for children and adults with disabilities. Additionally, we have organised medical camps to offer healthcare services to underserved communities, including gynaecological check-ups and Ayurvedic treatments.

## Strategically Positioned for Success

As we look into the future, we are optimistic about the opportunities that lie ahead. While the chemical industry continues to face complex challenges, we are confident in our strategic positioning and our ability to adapt. Our efforts to expand production capabilities, streamline operations, and invest in innovation have set the stage for robust growth and increased profitability.

Over the past years, the industry has navigated through turbulent times. At DMCC, we have been proactive in fortifying our business model, enhancing our sustainability practices, and fostering a culture that values resilience and forward-thinking. We are beginning to see positive shifts in the market, and as conditions improve, we are ready to leverage our strengthened infrastructure and comprehensive product offerings to achieve robust financial results.

Warm regards,

**Laxmikumar N. Goculdas**  
Chairman

**Mitika Laxmikumar Goculdas**  
Vice-Chairperson

# Navigating Forward with Grit and Intent

## Dear Shareholders,

Warm greetings to you all on behalf of the Board of Directors and the entire team at DMCC. As I reflect on the past year, I am pleased to share our journey, achievements, and strategic vision for the future amidst a challenging operating environment. Despite the myriad challenges posed by the global economic landscape, we have navigated these turbulent waters with a steadfast focus on our strategic goals and a relentless pursuit of innovation and sustainability.

### Navigating a Challenging Landscape

The past year was marked by significant challenges in the chemical industry, driven by economic headwinds, geopolitical tensions, and fluctuating demand patterns across key markets. The industry has faced hurdles, particularly with declining demand from primary markets in Europe and the United States, which have been grappling with high interest rates and sluggish end-user demand. This has led to a sustained destocking phase observed at the customer level over the past two years, resulting in low inventory levels and prevailing uncertainty within the market. Despite these challenges, we have remained agile and proactive, leveraging our deep industry expertise and robust operational capabilities to navigate these headwinds effectively.

### A Financial Perspective

Despite these challenges, DMCC has demonstrated resilience and adaptability. Our financial performance for the year ended March 31, 2024, reflects our strategic efforts to navigate through turbulent times. The consolidated revenue for FY24 stood at ₹ 327.95 crores, a decrease of 15.18% compared to the previous year. However, our consolidated EBITDA including other income was ₹ 46.72 crores, an increase of 20.47% year-on-year, and the consolidated profit after tax for FY24 was ₹ 11.59 crores. While these figures show improvement compared to the previous year, it is important to note that the last year was exceptionally challenging, and our performance, though better, still reflects the tough market conditions.

### Navigating Volatility with Operational Excellence

Our bulk chemicals segment, which contributed 50% to our revenue in FY24, maintained optimal capacity utilisation throughout the year. This segment encompasses high-volume, low-margin products such as sulphuric acid, oleum, and chloro sulphonic acid, which find applications in detergents, dyes, and fertilisers amongst other industries.

While we operated at high capacity utilisation levels, the margins within this segment were compressed due to unfavourable pricing dynamics. As a commodity-driven business, fluctuations in financial performance are an inherent characteristic of this vertical. Our focus remains on maintaining high capacity utilisation and running efficient operations to mitigate margin pressures.

Despite the new capacity running at optimal levels, the realisation for products like sulphuric acid has been lower. Consequently, the increased volumes have not translated proportionately into topline growth for the Company's consolidated financials. However, it's worth noting that raw material costs have also reduced during this period. Even in these challenging times, we have managed to improve our gross margin, which partially offsets the impact of lower realisations. Nonetheless, since this vertical contributed nearly half of our revenue for FY24 and operated at suboptimal margins, its contribution to the overall profitability of the business was limited.

### Navigating Headwinds with Strategic Resilience

The speciality chemicals vertical, also contributing 50% to our revenue, faced significant headwinds over the past two years. As these chemicals are primarily exported to major economies grappling with economic challenges, the demand offtake has been subdued. Furthermore, the low demand has resulted in lower capacity utilisation, leading to an inadequate absorption of fixed overheads and suboptimal margins for this business vertical.

However, towards the end of the year, we witnessed green shoots of recovery, with demand from certain industries reviving and the destocking phase coming to an end as inventory levels across the value chain reached historically low levels. This vertical is poised to drive the profitability of our overall business. While its performance was not up to the mark due to the aforementioned reasons, its contribution to the overall profitability was relatively low. Nevertheless, we are confident that our strategic investments will enable us to swiftly ramp up capacity utilisation as the demand scenario normalises, propelling our profit growth.

"Sustainability remains a cornerstone of our operations. As our Roha site was already certified under Responsible Care programme, and during the year, our Dahej site received the Responsible Care certification, highlighting our commitment to environmental stewardship and safety. We have implemented various initiatives to reduce our carbon footprint, manage water and waste responsibly, and promote the use of renewable energy sources."

### Strategic Focus and Backward Integration

Our Boron chemistry segment has gained significant traction, and we have ramped up production capacities to cater to future demand. During the year, we undertook a strategic capex initiative to establish backward integration for our Boric acid facility, further strengthening our competitive position in this segment.

We have been actively exploring further bottlenecking opportunities in this segment to enhance our production capabilities. The strategic focus on Boron chemistry positions us well for growth as market conditions improve, and we are optimistic about the future potential of this segment.

### Commitment to Sustainability

Sustainability remains a cornerstone of our operations. As our Roha site was already certified under Responsible Care programme, and during the year, our Dahej site received the Responsible Care certification, highlighting our commitment to environmental stewardship and safety. We have implemented various initiatives to reduce our carbon footprint, manage water and waste responsibly, and promote the use of renewable energy sources. Our sustainability initiatives are not just limited to environmental aspects but also encompass social and governance dimensions, ensuring a holistic approach to sustainable development. Our CSR initiatives included promoting coexistence by mitigating human-wildlife conflict, supporting education, and providing healthcare services.

### Building a Stronger Future

As we look ahead, we are cautiously optimistic about the future. While the current market conditions are expected to persist in the short term, we are strategically positioned to seize emerging opportunities.

Our enhanced capacities, streamlined cost structures, committed team, and upcoming product launches have positioned us to drive growth and profitability as market circumstances improve. The past few years have been extremely challenging for the entire chemical industry. However, at DMCC, we have taken proactive steps to strengthen our business, invest in capacity building, enhance sustainability practices, and foster a culture of innovation and resilience. We have already started witnessing early signs of recovery in certain sectors, and as the demand environment normalises, we are poised to leverage our enhanced capabilities and diversified product portfolio to drive improved financial performance.

### A Path Forward

In conclusion, I would like to express my sincere gratitude to our shareholders, customers, employees, and all other stakeholders for their unwavering support and trust. Together, with our collective resilience and determination, we will emerge stronger and continue to create sustainable value for all. The journey ahead is filled with opportunities, and we are confident that our strategic initiatives, robust operational capabilities, and unwavering commitment to excellence will enable us to navigate the challenges and seize the opportunities that lie ahead. As we move forward, we remain committed to our core values of integrity, innovation, and sustainability, and we look forward to continuing our journey of growth and success with your continued support.

### Best regards,

**Bimal Lalitsingh Gocaldas**  
Managing Director and  
Chief Executive Officer

## Strengths & Strategic Priorities

# Building On Strengths Shaping the Future

At DMCC, our journey has been defined by our unwavering commitment to innovation, sustainability, and excellence. Despite the challenges posed by the global economic landscape, we have leveraged our core strengths to navigate these turbulent times and position ourselves for future growth. Our strategic priorities are designed to build on these strengths, ensuring that we continue to deliver value to our stakeholders and drive sustainable growth.

## Strategic Priorities

### Strategic Portfolio Enhancement

We have streamlined our focus towards speciality chemicals that offer higher and stable margins. By concentrating on high-value products with low competition, we aim to enhance our market position and drive sustainable growth.

### Capacity Expansion at Dahej

With the recent completion of capital expenditure at our Dahej facility, our focus is now on ramping up capacity quickly as the demand in the industry normalises. This expansion will be further aided by increasing margins as the share of speciality products in our portfolio grows. The strategic location of Dahej brings us closer to our suppliers, leading to logistical cost savings and improved operational efficiency.

### Focus on Innovation and Environment

Our research efforts are directed towards identifying new products and developing advanced process technologies. By optimising the utilisation of energy and other resources, we aim to enhance our operational efficiency and reduce our environmental impact. Our commitment to innovation and sustainability is central to our strategic vision.

### Expanding Global Reach

Our strategic priorities include expanding our global footprint to tap into new markets and diversify our revenue streams. By leveraging our existing competencies and exploring new geographies, we aim to enhance our market presence and create long-term value for our stakeholders. Our focus on building strong customer relationships and delivering high-quality products will drive our global expansion efforts.

## Strengths

### Niche Product Offerings

Our commitment to driving sustainable growth is reflected in our unique offerings of niche chemical products that remain largely untapped by other players in the market. Our state-of-the-art, backward-integrated facilities allow us to achieve cost efficiencies, making us a preferred partner for our customers. By focusing on expanding our product portfolio, we aim to increase our market share and create long-term value for our stakeholders.

### Diversified Product Portfolio

As a leading chemical manufacturer, we have successfully diversified our product suite to cater to the dynamic needs of multinational companies across geographies. Our comprehensive range of chemicals serves various industries, mitigating the risk of overdependence on any single industry. Our commitment to offering high-quality products, implementing best manufacturing practices, and adhering to superior compliance standards has earned us the trust of multinational companies.

### Strong Regulatory Compliance and Sustainability

Our commitment to reducing carbon emissions, replacing traditional fuel sources with non-conventional sources, and managing water and waste responsibly underscores our dedication to sustainability. We aim to become carbon negative, aligning our operations with global sustainability standards. Our strong regulatory compliance ensures that we meet and exceed industry standards, reinforcing our reputation as a responsible and reliable partner.

### Robust R&D Capabilities

We place significant emphasis on research and development, which has been instrumental in driving our growth. Our highly skilled R&D team is dedicated to consistent product and process innovation. By exploring specific chemistries, such as sulphur chemistry, we have opened up new opportunities and reduced our reliance on limited products. Our focus on R&D ensures that we remain at the forefront of the industry, continuously refining our skills and knowledge.

### Manufacturing Efficiency and Supply Chain Optimisation

We strive to create a more robust supply chain for our downstream products by leveraging our manufacturing efficiencies. The launch of our new sulphuric acid plant ensures an uninterrupted supply of raw materials, enhancing operational efficiency and cost competitiveness. Our focus on backward integration for the speciality chemicals division has enabled us to become a low-cost manufacturer, ensuring higher margins and streamlined operations.

### Long-Term Customer Relationships

The technical and complex nature of our products requires long lead times for customer approvals. However, once established, these relationships are difficult for competitors to disrupt. Our long-standing presence in the market and track record of excellence have enabled us to build enduring relationships with our customers.

Governance Framework

# Leading With Transparency and Integrity

Our governance framework is meticulously designed to foster transparency, accountability, and ethical decision-making, ensuring that we create enduring value for all our stakeholders. Guided by a diverse and experienced Board of Directors, we are committed to upholding the highest standards of corporate governance in every facet of our operations.

Key Governance Metrics

<p><b>100%</b> Cumulative Attendance in Board Meetings</p>	<p><b>10 Years</b> Term Limit for Independent Directors</p>
<p><b>15</b> Board and Committee Meetings in FY24</p>	<p><b>17.15 Years</b> Average Tenure of a Director</p>

Board Composition and Diversity

The backbone of our governance structure is our Board of Directors, a diverse and experienced team of professionals who bring a wealth of expertise to the table. Under the esteemed leadership of Shri Laxmikumar Narottam Goculdas, our Board is a harmonious blend of Non-Executive Non-Independent Directors, Independent Directors, and Executive Directors. This balanced composition enables us to harness a wide range of skills, knowledge, and perspectives, empowering us to navigate the dynamic business landscape with agility and foresight.

As of March 31, 2024, our Board comprises eight esteemed Directors, with a perfect blend of two Non-Executive Non-Independent Directors, four Independent Directors, and two Executive Directors. Additionally, the Board at their meeting held on May 23, 2024 appointed Shri Haren Devidas Parekh as an Additional Director designated as a Non-Executive Independent Director for the first term of five consecutive years w.e.f. May 23, 2024 and Shri Kuldeep Kumar Tiwari as Additional Director (Whole Time Director) and designated as an "Executive Director (Operations)" for a period of three consecutive years w.e.f. May 24, 2024. The Board's composition and size align with our values of transparency and accountability, as well as the regulatory framework governing our business. We believe that our Board's diversity of skills, knowledge, and experience equips us to make well-informed decisions that drive sustainable growth and value creation for all our stakeholders. Further, Shri Dilip Trimbak Gokhale, Executive Director and Key Managerial Personnel has completed his term on May 21, 2024 and considering the experience and expertise of Shri Dilip Trimbak Gokhale the Board decided to continue the association with Shri Dilip Trimbak Gokhale as a Senior Management Personnel and designated him as Sr. Executive Vice-President for a period of Three (3) consecutive years w.e.f. May 23, 2024 to May 22, 2027.

Guiding Principles and Responsibilities

Our governance approach is underpinned by the core principles of accountability, integrity, and transparency. The Board of Directors operates with the utmost transparency, and their decisions are guided by our commitment to social responsibility and sustainability. This commitment is reflected in our operations and business practices, which prioritise long-term value creation for all stakeholders.

The responsibilities of the Board include:

- Ensuring adherence to high standards of corporate governance
- Evaluating and approving business strategies and operational plans proposed by the management
- Regularly assessing and monitoring management performance
- Reviewing and assessing the Company's risk management approach
- Fulfilling statutory and contractual obligations
- Overseeing compliance with relevant laws and regulations
- Reviewing and monitoring the effectiveness of the Board's evaluation framework

Committees of the Board

Our governance framework is further strengthened by various committees that oversee specific aspects of our operations. These committees include:

- 1 Audit Committee**  
Ensures the integrity of financial reporting and oversees the internal control environment.
- 2 Nomination and Remuneration Committee**  
Oversees the nomination process for Board members and senior management, and determines remuneration policies.
- 3 Stakeholders Relationship Committee**  
Addresses the concerns and grievances of stakeholders, ensuring their interests are protected.
- 4 Corporate Social Responsibility Committee**  
Guides the company's CSR initiatives, ensuring alignment with our sustainability goals.
- 5 Risk Management Committee**  
Monitors and manages the company's risk exposure, ensuring a proactive approach to risk mitigation.
- 6 Independent Directors Committee**  
Ensures the independence and effectiveness of the Board's independent directors.



# Strategic Minds Behind Our Success

Our Board of Directors comprises a distinguished panel of industry veterans and accomplished professionals who collectively steer the company's strategic direction. With a wealth of expertise spanning diverse domains, these visionary leaders bring a unique blend of acumen, innovation, and unwavering commitment to the organisation. Their strategic guidance and steadfast oversight have been instrumental in driving the company's growth and solidifying its position as a leading player in the industry.



**Mr. Laxmikumar Narottam Goculdas**  
Chairman

Mr. Laxmikumar Narottam Goculdas possesses over half a century of valuable expertise in the industry, with a profound understanding of trade, commerce, and corporate strategy. His impressive acumen in corporate restructuring, public relations, and international trade sets him apart as an exceptional leader. Moreover, his comprehensive knowledge in business administration and corporate affairs serves as an invaluable asset to the Company.

**S A**



**Ms. Mitika Laxmikumar Goculdas**  
Vice-Chairperson

Ms. Mitika Laxmikumar Goculdas, a luminary Vice Chairperson of the Company, holds an MBA in Finance from the prestigious Pennsylvania State University, USA. With a phenomenal work experience of over two decades, she has led with distinction as Vice President at Merrill Lynch in both the USA and Dubai. Her prowess in finance, industry, and international trade is impeccable, and her contribution to the Company is invaluable.

**C N R**

Member ○ Chairman ●

Audit Committee	<b>A</b>
Nomination and Remuneration Committee	<b>N</b>
Shareholder/Investor Grievance Committee	<b>S</b>
Corporate Social Responsibility Committee	<b>C</b>
Risk Management Committee	<b>R</b>
Independent Directors Committee	<b>I</b>

\*Mr. Dilip Trimbak Gokhale completed his term as an Executive Director of the Company on May 21, 2024 and considering his experience, expertise, and long association with the Company he is appointed as senior management personnel designed as Sr. Executive Vice President w.e.f. May 23, 2024



**Mr. Bimal Lalitsingh Goculdas**  
Managing Director and Chief Executive Officer

Mr. Bimal Lalitsingh Goculdas heads the management team and is responsible for overall performance. He is a Chemical Engineer with postgraduate qualifications from the USA and has two decades of work experience in India and the USA. He has been associated with the Company, holding various senior management positions, for over 32+ years and has handled production, technology, supply chain management, marketing both domestic & export, and finance.

**R**



**Dr. (Mrs.) Janaki Ashwin Patwardhan**  
Non-Executive, Independent Director

Dr. Janaki Ashwin Patwardhan, a distinguished Chemical Engineer with a doctorate from Mumbai University Institute of Chemical Technology, has been associated with the Chemical and Pharmaceutical Industry for over 24 years. She is a highly accomplished Process Engineer, with exceptional expertise in health and safety, plant design, and techno-commercial feasibility studies. Dr. Patwardhan has also served as an independent consultant to various esteemed companies, bringing a wealth of knowledge and experience to the board.

**I R**



**Mr. Mukul Manoharlal Taly**  
Non-Executive, Independent Director

Mr. Mukul Manoharlal Taly is a seasoned legal professional with over 40 years of experience. He holds a B.Sc. and an LL.M. degree from the University of Mumbai, where he was a Gold Medallist in LLB. Mr. Taly has been practising as a senior advocate at S. Mahomedbhai & Co., Advocate & Solicitors, High Court, Mumbai. His expertise in commercial law and constitutional law, coupled with his extensive experience, makes him a valuable asset to the board.

**N C R I**



**Mr. Madhu Thakorlal Ankleshwaria**  
Non-Executive, Independent Director

Mr. Madhu Thakorlal Ankleshwaria is a B. Com.(Hons), F.C.A., and practising Chartered Accountant with over 42 years of experience in finance and accounting, auditing, internal audit, taxation, foreign trade, financial management, risk management, corporate restructuring, due diligence, corporate governance, and strategy. His extensive knowledge and experience in these areas make him an invaluable member of the board.

**A C N S I**



**Mr. Sanjeev Vishwanath Joshi**  
Non-Executive, Independent Director

Mr. Sanjeev Vishwanath Joshi is a venerable B. Com graduate and F.C.A. He has been a practising Chartered Accountant for more than three and a half decades. His proficiency in finance and accounting, auditing, internal audit, insurance, foreign trade, taxation, financial management, risk management, corporate restructuring, due diligence, corporate governance, and strategy is widely recognised and esteemed.

**A N S C I**



**Mr. Haren Devidas Parekh**  
Non-Executive, Independent Director

Mr. Haren Parekh is a seasoned professional with over 39 years of experience in banking, finance, treasury, legal, compliance, infrastructure, and capital markets. He holds a Bachelor's degree in Commerce and is a Fellow Member of the Institute of Chartered Accountants of India (ICAI). Mr. Parekh was instrumental in growing HDB Financial Services Limited (a subsidiary of HDFC Bank) to over 110 billion in revenue and 1300+ branches. He has served as CFO of HDB Financial Services and CIBIL. Currently a financial advisor, he is a respected expert in financial markets.

**I**



**Mr. Dilip Trimbak Gokhale\***  
Executive Director

Mr. Dilip Trimbak Gokhale's professional journey spans over 35 years, encompassing a diverse range of fields such as secretarial, legal, corporate governance, finance, HR & administration, insurance, and internal audit. He holds academic qualifications including B. Com, LLB, CAIIB, and FCS. Mr. Gokhale's extensive expertise equips the company to navigate the ever-evolving corporate landscape with confidence and finesse, ensuring robust governance and strategic oversight.

**R**



**Mr. Kuldeep Kumar Tiwari**  
Executive Director (Operations)

Mr. Kuldeep Kumar Tiwari is a Science Graduate and seasoned professional with 26 years of experience in project management and operations in the sulphuric acid industry in India and abroad. He has been working with the Company since 2020 and, before his appointment by the Board as Executive Director (Operations), he was designated as Vice President (Operations) of the Company.

# Strategic Minds Behind Our Success

At DMCC Speciality Chemicals Limited, our leadership team is composed of seasoned professionals who bring a wealth of experience, expertise, and strategic vision to the table. Their collective leadership and unwavering commitment to excellence drive our company's growth and innovation. Each member of our leadership team plays a pivotal role in steering the company towards achieving its strategic goals and maintaining our position as a leader in the speciality chemicals industry.



**Mr. Bimal Lalitsingh Goculdas**  
Managing Director and Chief Executive Officer

Mr. Bimal Lalitsingh Goculdas heads the management team and is responsible for the overall performance of DMCC Speciality Chemicals Limited. He is a Chemical Engineer with postgraduate qualifications from the USA and has over two decades of work experience in India and the USA. Throughout his 32+ years with the company, Mr. Goculdas has held various senior management positions, overseeing production, technology, supply chain management, marketing (both domestic and export), and finance. His strategic vision and leadership have been instrumental in driving the company's growth and innovation.



**Mr. Kuldeep Kumar Tiwari**  
Executive Director (Operations)

Mr. Kuldeep Kumar Tiwari is a seasoned professional with a rich experience of 26 years in project management and operations in the sulphuric acid industry, both in India and abroad. A Science Graduate, Mr. Tiwari has been with DMCC since 2020, initially serving as Vice President (Operations) before being appointed as Executive Director (Operations). His expertise in managing large-scale projects and operations has significantly contributed to the company's operational efficiency and growth.



**Mr. Dilip Trimbak Gokhale**  
Sr. Executive Vice President

Mr. Dilip Trimbak Gokhale's professional journey spans over 35 years, encompassing a diverse range of fields such as secretarial, legal, corporate governance, finance, HR & administration, insurance, and internal audit. He holds academic qualifications including B. Com, LLB, CAIIB, and FCS. Mr. Gokhale's extensive expertise equips the company to navigate the ever-evolving corporate landscape with confidence and finesse, ensuring robust governance and strategic oversight.



**Mr. Shirish Pandit**  
Sr. Vice President – Projects

Mr. Shirish Pandit leads the Project Division at DMCC, bringing over four decades of experience in plant operation management, factory operation management, and project management. He holds a B.Sc. in Chemistry from Mumbai University and is an Associate Member of the Indian Institute of Chemical Engineers (AMICChE). Mr. Pandit's wealth of knowledge and experience has been pivotal in executing complex projects and driving the company's growth initiatives.



**Mr. S. N. Jadhav**  
Sr. Vice President – Operations

Mr. S. N. Jadhav, an erudite inorganic chemist, oversees the operations at the Roha unit as the Senior Vice President – Operations. With nearly three decades of experience in the chemical industry, Mr. Jadhav has demonstrated a profound understanding of the synthesis and application of sulphur-based chemicals. His leadership and technical expertise have been crucial in maintaining high operational standards and driving innovation.



**Mr. Ashok R. Nagarch**  
Technical Advisor to MD & CEO

Mr. Ashok R. Nagarch serves as the Technical Advisor to the MD and CEO, spearheading the Research & Development team with his exceptional expertise. With almost four decades of prolific experience in sulphur chemistry, Mr. Nagarch boasts a remarkable portfolio of accomplishments and contributions to the field. His guidance and technical acumen have been instrumental in advancing the company's R&D initiatives.



**Mr. Sunil Kumar Goyal**  
Chief Finance Officer

Mr. Sunil Kumar Goyal is a Bachelor of Business Administration (BBA) and a qualified Chartered Accountant and Company Secretary. With over 15 years of experience in various companies, Mr. Goyal has extensive exposure to corporate finance, project finance, treasury, forex, banking, taxation, audits, and other allied areas. He is proficient in computerised accounting systems such as SAP HANA, SAP B1, and Tally, ensuring robust financial management and strategic oversight.



**Mr. Omkar Mhamunkar**  
Company Secretary and Compliance Officer

Mr. Omkar Mhamunkar, a B. Com and Law Graduate, is an Associate Member of the Institute of Company Secretaries of India, New Delhi. With over 13 years of experience in secretarial, legal, compliance, and governance functions, Mr. Mhamunkar presides over the crucial responsibilities of Company Secretary and Compliance Officer at DMCC. His exceptional finesse and expertise ensure that the company adheres to the highest standards of corporate governance.



**Mr. Jitesh Doshi**  
Vice President (Bulk Chemicals)

Mr. Jitesh Doshi brings a rich experience of about 38 years in the sales and marketing of chemicals. He heads the Sales and Marketing function of the company's Bulk Chemical Business, responsible for market research, pricing, product marketing, marketing communications, advertising, public relations, sales management, new business development, and product development. His strategic insights and market acumen drive the growth of the bulk chemicals segment.



**Mr. Srinivas Rao**  
Head (Speciality Chemicals)

Mr. Srinivas Rao, B.Sc. (Chemistry-Hons) and a PG Diploma in Marketing Management from Welinkar, Mumbai, has about 29 years of experience heading the sales and marketing (local and exports) of speciality chemicals. He is responsible for market development for domestic and international markets and identifying new product opportunities in speciality chemicals. His leadership and strategic vision have been instrumental in expanding the company's speciality chemicals portfolio.

# Commitment to Community and Conservation

At DMCC, we believe that our responsibility extends beyond the realms of business. Our Corporate Social Responsibility (CSR) initiatives are a testament to our commitment to fostering sustainable development and improving the quality of life in the communities we serve. In FY24, we have undertaken a series of impactful projects aimed at environmental conservation, education, healthcare, and community development.

## ₹56.05 Lakhs

DMCC Speciality Chemicals Limited has invested a total of ₹56.05 Lakhs in various CSR initiatives during FY24, demonstrating our commitment to social responsibility and community development.

### Major Initiatives of the Year

#### ① Environmental Conservation

##### “Sah-Jeevan” Promoting Coexistence by Mitigating Human-Wildlife Conflict

We distributed interim relief to individuals and families affected by human-wildlife conflicts, providing critical support for injuries and livestock depredation.

Our “Prahari” initiative created an anti-poaching network involving local communities and forest departments, significantly reducing wildlife poaching incidents.

##### “Sajag” Consistent Awareness and Education

We conducted training programs on waterfowl conservation, equipping participants with skills to monitor and assess wetland health. This initiative included a playlet competition in schools to raise environmental awareness among young minds.

A vulture conservation workshop was held, educating participants on vulture ecology, threats, and conservation strategies.

#### ② Community Development

##### “Shakti” Capacity Building and Economic Upliftment

We organised training programs on combating wildlife cybercrime in collaboration with the Corbett Tiger Reserve and the Wildlife Crime Control Bureau.

To support local livelihoods, we distributed 900 chicks and necessary supplies to beneficiaries in Fatehpur and Gautiya villages, promoting poultry farming as a sustainable income source.

We repaired and replaced 35 solar street lights in remote forest patrolling checkpoints, enhancing safety and security in these areas.



#### ③ Education and Healthcare

##### Educational Support

We donated 336 registers to students, provided sewing machines to underprivileged women, and contributed to the painting and maintenance of local schools and police stations.

Our support extended to the donation of computers, printers, and water coolers to schools, enhancing the learning environment for students.

##### Healthcare Initiatives

We organised medical camps offering gynaecological checkups, Ayurvedic treatments, and general health diagnostics, providing free medicines to attendees.

Our efforts included constructing a shed at Khodal Mata Temple and installing playground equipment at local schools, promoting community well-being and recreational activities.



#### ④ Disaster Relief and Women Empowerment

##### Flood Relief

In response to the floods in Bharuch District, we donated 200 ration kits to affected families, ensuring they had access to essential supplies during the crisis.

##### Women Empowerment

We conducted self-defence and business training camps for women, educating them about government schemes and providing skills for handmade jewellery making.





## Sustainability Initiatives

# Green Chemistry for a Better Tomorrow

At DMCC Speciality Chemicals Limited, we believe that true success is measured not just by our financial performance, but by the positive impact we create on our environment and communities. Our commitment to sustainability is deeply ingrained in our corporate ethos, driving us to continuously innovate and improve our practices. In FY24, we have made significant strides in our sustainability journey, reinforcing our position as a responsible leader in the speciality chemicals sector.



## Certifications/Accreditation Related to Sustainable Practices



**Responsible Care Certification**



**ISO 9001:2015 Quality Management System**



**Together For Sustainability®**



**REACH Registration**



**Certificate of Merit from National Safety Council for achieving "Zero Accident Frequency Rate" for the year 2020 at the Roha Facility.**



**Certificate of Merit from CHEMEXIL for the outstanding Export performance in FY 2017-18**



**Award from FICCI for Efficiency in Water Usage**

**Our sustainability initiatives span across multiple dimensions, reflecting our holistic approach to responsible business practices:**

### ① Environmental Stewardship

We have plans to implement a Zero Liquid Discharge (ZLD) system at our manufacturing facilities, significantly reducing our water footprint. Our Roha site boasts extensive green cover, contributing to local biodiversity and air quality. We have installed solar panels at our Roha facility, with 25% of our energy requirements now met through renewable sources.

### ② Responsible Care Certification

In a major milestone this year, our Dahej site received the prestigious Responsible Care certification. This globally recognised standard underscores our commitment to health, safety, and environmental protection throughout our operations. The certification process involved rigorous audits and improvements across various aspects of our business, from process safety to product stewardship.

### ③ Sustainable Product Portfolio

We have systematically evaluated our entire product portfolio using sustainability criteria, ensuring that our development processes align with our environmental goals. Our R&D team is actively working on "green chemistry" initiatives, focusing on reducing waste, improving energy efficiency, and developing eco-friendly alternatives.

### ④ Supply Chain Sustainability

We have joined global chemical industry initiatives to promote sustainable supply chains, working collaboratively with our suppliers to improve environmental and social performance.

### ⑤ Community Engagement

Our CSR initiatives have expanded, focusing on education, healthcare, and environmental conservation in our local communities. Through our CSR activity, we organised training programmes on wildlife conservation and cybercrime prevention, demonstrating our commitment to broader societal issues.

### ⑥ Safety and Health

We have reinforced our safety protocols, conducting regular drills and training sessions to ensure the well-being of our employees and surrounding communities. Our medical facilities and ambulance services are available 24/7, extending support beyond our workforce to neighbouring areas.

## Our Viewpoint on Sustainability

At DMCC, we view sustainability not as a compliance requirement, but as a fundamental driver of long-term business success. We believe that integrating sustainable practices into every aspect of our operations is crucial for:

1. Ensuring business continuity by mitigating environmental risks and resource scarcity.
2. Fostering innovation that leads to more efficient processes and greener products.
3. Enhancing our reputation and strengthening relationships with stakeholders, including customers, investors, and local communities.
4. Contributing to global efforts to combat climate change and promote sustainable development.

We recognise that the chemical industry has a pivotal role to play in addressing global sustainability challenges. By continuously improving our processes, products, and practices, we aim to be at the forefront of this transformation, creating value for our shareholders while positively impacting the world around us.

# Management Discussion & Analysis

## Global Economy and Global Chemical Industry

The global economy exhibited resilience in FY24, achieving a growth rate of 3.2% despite facing significant challenges. This growth was driven by a combination of factors including robust demand in certain regions, easing supply chain disruptions, and stabilising energy prices. However, the global economic landscape remained uneven, with advanced economies experiencing slower growth compared to emerging markets. Inflationary pressures began to ease, with global headline inflation declining from 6.8% in 2023 to 5.9% in 2024, and further projected to fall to 4.5% in 2025.

The global chemical industry faced a challenging year in FY24, marked by subdued demand and significant destocking by customers. Key markets such as Europe and the USA experienced slowdowns, which adversely impacted the sector. Despite these headwinds, the global chemical market was valued at approximately \$6.2 trillion in 2023, growing at a compound annual growth rate (CAGR) of 2% from \$5.9 trillion in 2022. Several factors contributed to the industry's challenges, including over-ordering in previous

the global chemical market was valued at approximately \$6.2 trillion in 2023, growing at a compound annual growth rate (CAGR) of 2% from \$5.9 trillion in 2022.

years, which resulted in high inventory levels and subsequent destocking. Additionally, geopolitical tensions and volatile energy prices further complicated the operating environment. However, the industry showed resilience through strategic investments in sustainable and eco-friendly solutions, as well as a focus on speciality chemicals, which continued to drive growth in certain segments.

Looking ahead, the global economy is expected to maintain a steady growth rate, with projections of 3.1% for FY25 and 3.2% for FY26. This sustained growth will be supported by continued recovery in global trade, easing of monetary policies, and stabilising inflation rates. However, risks such as geopolitical tensions, trade fragmentation, and climate-related challenges may pose threats to long-term growth.

The global chemical industry is poised for a gradual recovery, with expectations of a CAGR of 3-4% over the next few years. Key growth drivers include the increasing demand for chemicals in emerging technologies, the push towards sustainability, and the strategic expansion of production capacities. The industry's focus on decarbonising supply chains and adopting advanced technologies such as artificial intelligence and advanced analytics will be crucial in navigating future challenges and capitalising on growth opportunities.

## Indian Economy and Indian Chemical Industry

The Indian economy demonstrated resilience in FY24, achieving a GDP growth rate of 8.2%, up from 7% in FY23. This growth was driven by strong public investment, resilient private consumption, and a notable uptick in manufacturing and construction sectors. Despite global economic uncertainties and geopolitical tensions, India maintained its position as one of the fastest-growing major economies, supported by stable macroeconomic indicators and a favourable domestic demand environment.

The Indian chemical industry faced significant challenges in FY24. The sector, currently valued at approximately \$220 billion, experienced a slowdown due to several factors. Major destocking at the customer end, coupled with weak demand in key export markets like Europe and the USA, led to a decline in exports and put pressure on Indian chemical companies. The industry also faced severe pricing pressure due to oversupply and heightened competition from Chinese suppliers, which further impacted profitability.

Despite these challenges, the sector showed resilience. Speciality chemicals, which now represent a substantial portion of India's chemical exports, continued to grow. The "China-Plus-One" strategy positioned India as a preferred alternative manufacturing hub, attracting substantial foreign direct investment (FDI) and fostering growth in various chemical segments. However, the overall performance was impacted by lower capacity utilisation rates and margin pressures across various segments.

Looking ahead, the Indian economy is expected to maintain a steady growth rate, with GDP projected to grow by 6.6% in FY25 and 6.75% in FY26. This sustained growth will be driven by continued public investment, robust private consumption, and a gradual recovery in global trade.

The Indian chemical industry is poised for recovery and growth, with expectations of a compound annual growth rate (CAGR) of 11-12% by 2027. The sector's contribution to the Indian economy is anticipated to be significant, with projections of it reaching \$1 trillion by 2040. Key growth drivers include the increasing demand for chemicals in various end-user industries, government support through policies and incentives, and the strategic expansion of production capacities by domestic firms.

While FY24 presented significant challenges for the Indian chemical industry due to global demand slowdown and destocking, the sector is showing signs of gradual recovery. The focus on speciality chemicals, domestic market resilience, and long-term growth prospects continue to make the Indian chemical industry an attractive sector for investment and growth.

## Trends Shaping the Chemical Industry

The chemical industry is undergoing significant transformation, driven by various trends that are reshaping its landscape. Here are the key trends shaping the industry:

### 1. Sustainability and Green Chemistry:

**Environmental Regulations:** Increasingly stringent environmental regulations are pushing chemical companies to adopt sustainable practices. This includes reducing carbon emissions, minimising waste, and using renewable resources.

**Circular Economy:** The shift towards a circular economy is gaining momentum. Companies are focusing on recycling and reusing materials to reduce waste and improve resource efficiency. This trend is particularly strong in the plastics and packaging sectors.

### 2. Digital Transformation and Industry 4.0:

**Internet of Things (IoT):** IoT solutions are being widely adopted to enhance operational efficiency. Real-time data collection and analysis help in predictive maintenance, optimising production processes, and improving safety.

**Artificial Intelligence (AI):** AI and machine learning are being used to optimise supply chains, forecast demand, and develop new products. These technologies enable companies to respond more quickly to market changes and improve decision-making.

### 3. Advanced Materials and Speciality Chemicals:

**Nanotechnology:** The use of nanotechnology is expanding, particularly in the development of advanced materials with unique properties. This includes applications in electronics, healthcare, and energy storage.

**Speciality Chemicals:** There is a growing demand for speciality chemicals, which are tailored for specific applications. This segment is seeing significant investment and innovation, driven by the need for high-performance materials in various industries.

### 4. Global Supply Chain Resilience:

**Diversification:** The COVID-19 pandemic highlighted the vulnerabilities in global supply chains. As a result, companies are diversifying their supply sources and increasing local production to mitigate risks.

**China Plus One Strategy:** Many companies are adopting the "China Plus One" strategy, seeking to reduce dependence on China by establishing manufacturing operations in other countries, including India and Southeast Asia.





## 5. Energy Transition and Decarbonisation:

**Renewable Energy:** The chemical industry is increasingly investing in renewable energy sources to power its operations. This includes solar, wind, and bioenergy projects aimed at reducing the carbon footprint.

**Green Hydrogen:** The development of green hydrogen as a clean energy source is gaining traction. Chemical companies are exploring its use in various processes, including ammonia production and fuel cells.

## 6. Regulatory and Geopolitical Factors:

**Geopolitical Tensions:** Ongoing geopolitical tensions, such as the Russia-Ukraine conflict, are impacting the global chemical industry. These tensions affect supply chains, energy prices, and trade policies, necessitating strategic adjustments by companies.

**Regulatory Compliance:** Compliance with evolving regulations, particularly in the areas of safety, environmental protection, and product standards, remains a critical focus for the industry.

## Growth Drivers of the Indian Chemical Industry

The Indian chemical industry is poised for significant growth, driven by several key factors

### Rising Domestic Demand

The increasing demand for consumer goods, including personal care products, home care items, and packaged foods, is driving growth in the speciality chemicals segment. The agrochemical sector is experiencing robust growth due to the rising need for high-yield crops and sustainable farming practices, supported by government initiatives aimed at boosting agricultural productivity.

### Export Opportunities

India's chemical industry is expanding its footprint in global markets. The country is a major exporter of chemicals, with significant demand from the United States, China, and Europe. The global shift towards diversifying supply chains away from China presents a significant opportunity for Indian chemical manufacturers. This "China Plus One" strategy is attracting foreign direct investment (FDI) and boosting export potential.

### Government Support and Policies

The Indian government's Production-Linked Incentive (PLI) scheme for the chemical sector aims to boost domestic manufacturing and exports. This scheme provides financial incentives based on increased sales from locally manufactured products. Additionally, initiatives such as the development of Petroleum, Chemicals, and Petrochemicals Investment Regions (PCPIRs) and plastic parks are providing state-of-the-art infrastructure to support the growth of the chemical industry.

## Technological Advancements

The adoption of digital technologies, including IoT, AI, and advanced analytics, is enhancing operational efficiency and innovation in the Indian chemical industry. These technologies are helping companies optimise production processes, improve supply chain management, and develop new products. Furthermore, India's strong network of national laboratories and R&D centres is driving innovation in the chemical sector, leading to the development of high-value speciality chemicals and advanced materials.

## Sustainability Initiatives

Indian chemical companies are increasingly adopting green chemistry principles to reduce environmental impact. This includes the use of renewable feedstocks, energy-efficient processes, and waste minimisation techniques. The shift towards a circular economy is gaining traction in India, with companies focusing on recycling and reusing materials to improve resource efficiency and reduce waste.

## Favourable Demographics and Economic Growth

India's young and growing population is driving demand for a wide range of chemical products, from consumer goods to industrial chemicals. This demographic advantage is expected to sustain long-term growth in the sector. Additionally, India's strong economic growth, supported by robust public investment and private consumption, is creating a favourable environment for the chemical industry. The sector is expected to benefit from the overall expansion of the Indian economy.

## Company Overview

DMCC Speciality Chemicals Limited, established in 1919 and headquartered in Mumbai, is a pioneer in the Indian chemical industry. With a rich legacy spanning over a century, DMCC has evolved from being India's first producer of sulphuric acid and phosphate fertilisers to a fully integrated speciality chemicals player. The company's diverse product portfolio includes bulk chemicals such as sulphuric acid, oleum, and chloro sulphonic acid, as well as a range of speciality chemicals catering to industries like textiles, pharmaceuticals, agrochemicals, and water treatment. DMCC operates two state-of-the-art manufacturing facilities in Roha, Maharashtra, and Dahej, Gujarat, exporting to over 22 countries across five continents.

## Performance in FY24

FY24 presented significant challenges for DMCC Speciality Chemicals Limited, reflecting the broader difficulties faced by the global chemical industry. The company reported consolidated revenue of ₹ 327.95 crores, marking a decrease of 15.18% compared to the previous year. This decline was primarily attributed to subdued demand from key export markets such as Europe and the United States, and lower raw material prices. The EU and USA were affected by high interest rates and sluggish end-user demand. The industry-wide destocking phase, which persisted for nearly two years,

further exacerbated the situation, leading to low inventory levels and prevailing market uncertainty. The company's consolidated EBITDA, including other income, was ₹ 46.72 crores, representing an increase of 20.44% year-on-year. The consolidated profit after tax for FY24 stood at ₹ 11.59 crores.

The bulk chemicals segment, contributing 50% to the company's revenue, maintained optimal capacity utilisation throughout the year. However, margins in this segment were compressed due to unfavourable pricing dynamics, particularly for products like sulphuric acid. The speciality chemicals vertical, also accounting for 50% of the revenue, faced significant headwinds due to subdued demand from major economies. Despite lower capacity utilisation and suboptimal margins in this segment, the company witnessed encouraging signs of recovery towards the end of the fiscal year, with demand from certain industries showing signs of revival.

DMCC's strategic focus on Boron chemistry gained significant traction during FY24. The company ramped up production capacities and undertook a strategic capex initiative to establish backward integration for its Boric acid facility. This positions DMCC favourably to cater to future demand and strengthen its competitive position in this high-potential segment.

In line with its commitment to sustainability and responsible operations, DMCC's Dahej site received the prestigious Responsible Care certification during FY24. This achievement highlights the company's dedication to environmental stewardship, safety, and sustainable practices across its operations.

## Outlook

Looking ahead, DMCC Speciality Chemicals Limited maintains a cautiously optimistic outlook. While the current market conditions are expected to persist in the short term, the company is strategically positioned to seize emerging opportunities as market conditions normalise. The speciality chemicals vertical, which faced significant challenges in FY24, is poised to be a key growth driver in the coming years. As the destocking phase concludes and demand patterns stabilise, DMCC anticipates improved capacity utilisation and enhanced margins in this segment.

The company's enhanced capacities, streamlined cost structures, and upcoming product launches position it well to drive growth and profitability as market circumstances improve. DMCC's robust research and development capabilities, coupled with its agile manufacturing processes, are expected to support the growing demand for high-value speciality chemicals.

The global chemical industry is anticipated to witness a gradual recovery, with projections indicating a compound annual growth rate (CAGR) of 3-4% over the coming years. This recovery is expected to be driven by increasing demand for chemicals in emerging technologies, a push towards sustainability, and strategic capacity expansions. DMCC is well-positioned to capitalise on these trends, particularly with its focus on sustainable practices and innovative product development.

Sustainability remains at the forefront of DMCC's strategic vision. The company continues to invest in initiatives aimed at reducing its carbon footprint, optimising water usage, and promoting renewable energy sources across its operations. These efforts, combined with the recent Responsible Care certification, underscore DMCC's commitment to environmental, social, and governance (ESG) principles.

## Key financial ratios

Financial Ratios	FY23	FY24	Change
Operating Profit Margin	10.03%	14.25%	42.07% <sup>1</sup>
Net Profit Margin	1.79%	3.53%	97.21% <sup>1</sup>
Debtor Turnover	7.59	6.71	-11.59
Inventory Turnover	5.23	4.13	-21.03
Interest Coverage	2.00	2.25	12.50
Debt Equity	0.51	0.42	-17.65
Current Ratio	1.04	1.08	3.85
Return on Net Worth	3.50%	5.53%	58.00% <sup>1</sup>

1. The operating profit, net profit margin and return on net worth is increased primarily due to increase in other income due to sale of investment in unquoted shares



## Safeguarding the business

DMCC's risk management framework is designed to be agile and responsive, facilitating swift adaptation to changing circumstances. Moreover, the company consistently reviews and updates its risk management processes to ensure ongoing relevance and effectiveness in the face of evolving risks and challenges. By prioritising risk management and adopting a proactive stance, DMCC remains steadfast in its pursuit of long-term strategic objectives and in delivering value to all stakeholders.

Risk	Mitigation strategies
<b>Raw material risk</b> 	DMCC Speciality Chemicals Limited employs robust supply chain management practices to ensure a consistent supply of raw materials at competitive prices. This is achieved through long-standing relationships with reliable suppliers. Additionally, the company utilises a raw material-plus pricing mechanism in its speciality chemicals segment. This approach helps mitigate margin pressures caused by fluctuations in input costs, thereby ensuring profitability and financial stability even amid market volatility.
<b>Customer retention risk</b> 	DMCC prioritises customer satisfaction, building a loyal customer base by consistently delivering high-quality products and services. The company has successfully diversified its revenue streams across various industries, with a strategic approach that ensures no single sector accounts for more than 10% of total revenues. This diversification strategy effectively mitigates the risk of client concentration.
<b>Talent availability risk</b> 	DMCC Speciality Chemicals Limited is dedicated to enhancing the skills and expertise of its workforce through comprehensive training and development programmes. These initiatives are designed to foster both personal and professional growth, ensuring that employees are well-equipped to meet the evolving demands of the industry. Additionally, the company organises a variety of engaging team-building activities aimed at promoting a collaborative work culture. These activities not only strengthen team cohesion but also play a crucial role in attracting and retaining top talent in a competitive job market.
<b>Foreign exchange risk</b> 	DMCC actively monitors currency fluctuations and employs hedging strategies to mitigate foreign exchange risks, ensuring stability and resilience in its financial operations.
<b>Regulatory risk</b> 	DMCC diligently adheres to regulatory mandates set by relevant authorities and strives to meet compliance standards of international markets, ensuring seamless execution of business strategies.

## Internal control systems and their adequacies

DMCC has implemented a comprehensive internal control framework comprising clearly defined policies, guidelines, and procedures. This framework ensures the protection of assets from unauthorised use or disposal, and it ensures that all transactions undergo proper authorisation, recording, and reporting. To bolster this, the company maintains an independent internal control system complemented by an internal audit programme, which monitors adherence to established policies and procedures.

The Audit Committee of the Board regularly reviews reports from Internal Auditors, offering guidance on enhancements and ensuring that operational management adheres to the prescribed framework. Recognising the significance of a robust internal control framework in safeguarding assets, reducing operational risks, and upholding transparency in financial reporting, DMCC remains steadfast in its commitment to continuously enhancing and refining its internal controls. This commitment aims to effectively mitigate risks, enhance operational efficiency, and bolster stakeholder confidence.

## Human resource

The company has continuously worked towards institutionalising and enhancing its human resource practices. Central to its human resource policy is transparency, fostering an environment of open communication that nurtures trust, respect, and a culture of excellence. DMCC firmly believes that an empowered workforce is essential for propelling growth, progress, and shareholder value. To this end, significant efforts have been directed towards recruiting multidisciplinary, experienced personnel, ensuring the company's growth objectives are advanced by top-tier talent.

Moreover, DMCC has made significant advancements in refining its human resource policies and procedures, with a specific focus on elevating performance standards. The company regularly conducts training programmes for the benefit of its staff and workers, providing a robust platform for professional and personal development.

Embracing a collaborative ethos, DMCC has fostered amicable relations with unions, maintaining cordial industrial relations throughout. As of March 31, 2024, the company boasts a workforce of over 418 permanent employees. By upholding a strong focus on human resource policies and procedures, DMCC has successfully cultivated an environment that attracts and retains top talent, fosters employee growth and development, and drives long-term success.

### Cautionary statement

The statements contained within this 'Management Discussion and Analysis Report', outlining the Company's objectives, projections, estimates, expectations, or predictions, may be deemed as 'forward-looking statements' under applicable security laws and regulations. It is important to note that various factors could influence the actual results, potentially differing from the future performance and outlook envisioned by the Directors.



# Corporate Information

## Board of Directors

**Shri Laxmikumar Narottam Goculdas**  
Chairman

**Ms. Mitika Laxmikumar Goculdas**  
Vice Chairperson

**Shri Madhu Thakorlal Ankleshwaria**  
Non-Executive Independent Director

**Shri Mukul Manoharlal Taly**  
Non-Executive Independent Director

**Shri Sanjeev Vishwanath Joshi**  
Non-Executive Independent Director

**Dr. (Mrs.) Janaki Ashwin Patwardhan**  
Non-Executive Independent Director

**Shri Bimal Lalitsingh Goculdas**  
Managing Director and Chief Executive Officer

**Shri Dilip Trimbak Gokhale**  
Executive Director (Upto May 21, 2024)

**Shri Haren Devidas Parekh**  
Independent Director (w.e.f. May 23, 2024)

**Shri Kuldeep Kumar Tiwari**  
Executive Director (Operations) (w.e.f. May 24, 2024)

## Key Managerial Personnel

**Shri Bimal Lalitsingh Goculdas**  
Managing Director and Chief Executive Officer

**Shri Kuldeep Kumar Tiwari**  
Executive Director (Operations) (w.e.f. May 24, 2024)

**Shri Dilip Trimbak Gokhale**  
Executive Director (Upto May 21, 2024)

**Shri Sunil Kumar Goyal**  
Chief Finance Officer (w.e.f. May 18, 2023)

**Shri Omkar Chandrakant Mhamunkar**  
Company Secretary & Compliance Officer (Upto July 29, 2024)

## Registered Office

Prospect Chambers,  
317/321, Dr. Dadabhoy Naoroji Road,  
Fort, Mumbai – 400 001.

## Subsidiary

DMCC (Europe) GmbH (Formerly known as Borax Morarji (Europe) GmbH)

## Company Identification No.

L24110MH1919PLC000564

## Stock Exchange Listing Details

BSE: DMCC/506405

NSE: DMCC

## Statutory Auditors

Messrs Rahul Gautam Divan & Associates  
Chartered Accountants, Mumbai

## Internal Auditors

Messrs Mahajan & Aibara  
Chartered Accountants LLP, Mumbai

## Secretarial Auditors

Messrs SKJ & Associates  
Company Secretaries, Mumbai

## Cost Auditor

Shri S. S. Dongare  
Cost Accountants, Mumbai

## Bankers

RBL Bank Ltd.  
Saraswat Co-operative Bank Ltd.  
Janakalyan Sahakari Bank Ltd.

## Plant Location

Roha (Maharashtra)  
Dahej (Gujarat)

## Registrar and Share Transfer Agents (RTA)

Link Intime India Pvt. Ltd.  
C101, 247 Park, L B S Marg,  
Vikhroli (W), Mumbai-400 083.  
Tel.: 022-49186000 Fax: 022-49186060  
E-mail ID: [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in)

# Notice

NOTICE is hereby given that the **103<sup>rd</sup> Annual General Meeting** of the members of **DMCC Speciality Chemicals Limited** (formerly known as "The Dharamsi Morarji Chemical Company Limited") will be held on **Wednesday, the 4<sup>th</sup> day of September, 2024 at 11:30 a.m.** (IST) through Video Conferencing or Other Audio Visual Means (VC/OAVM) facility, to transact the following business:

## Ordinary Business:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with the Report of the Board of Directors and the Auditors thereon and in this regard, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the audited financial statements of the Company for the financial year ended March 31, 2024, and the report of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the Report of the Auditors thereon and in this regard, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the audited consolidated financial statements of the Company for the financial year ended March 31, 2024, and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

3. To declare a final dividend on equity shares for the financial year ended March 31, 2024, and, in this regard, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT final dividend at the rate of ₹ 1/- per equity share of the face value of ₹ 10/- each fully paid-up of the Company, be and is hereby declared for the financial year ended March 31, 2024, and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended March 31, 2024."

4. To appoint a Director in place of Shri Laxmikumar Narottam Goculdas (DIN: 00459347), who retires by rotation, and being eligible, offers himself for re-appointment and, in this regard, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri Laxmikumar Narottam Goculdas (DIN: 00459347), who retires by rotation and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

## Special Business:

5. **Ratification of Cost Auditor's Remuneration for FY 2024-25.**

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies the remuneration of ₹ 1,00,000/- (Rupees One Lakh only) plus applicable taxes and reimbursement of out-of-pocket expenses, payable to Shri S. S. Dongare, Practicing Cost Accountant (Registration Number: 12521), who is re-appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2025.

**RESOLVED FURTHER THAT** the Board of Directors or Key Managerial Personnel(s) of the Company be and is hereby severally authorised to do all such acts and take such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution."

### Registered Office:

Prospect Chambers,  
317/321, Dr. Dadabhoy Naoroji Road, Fort, Mumbai 400 001.  
CIN: L24110MH1919PLC000564  
Website: [www.dmcc.com](http://www.dmcc.com)  
E-mail ID: [investor@dmcc.com](mailto:investor@dmcc.com)

**Place:** Mumbai

**Date:** July 26, 2024

By Order of the Board of Directors,

**Bimal Lalitsingh Goculdas**  
Managing Director & CEO  
DIN: 00422783

# Notes:

1. Ministry of Corporate Affairs ("MCA") vide its General Circulars Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, and subsequent circulars issued in this regard, the latest being 9/2023 dated September 25, 2023, ('MCA Circulars') has permitted the holding of the annual general meeting through Video Conferencing ("VC") or through Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the aforesaid MCA Circulars the 103<sup>rd</sup> Annual General Meeting ('Meeting' or 'AGM') of the Company is being convened and conducted through VC/OAVM.

2. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, as amended ('Act') setting out material facts concerning the business with respect to Item No. 5 forms part of this Notice. Additional information, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations') and Secretarial Standard-2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment at this AGM is furnished as Annexure to this Notice.

In compliance with the provisions of the Act, Listing Regulations and Secretarial Standards on General Meeting and MCA Circulars, the 103<sup>rd</sup> AGM of the Company is being held through VC/OAVM on Wednesday, September 04, 2024, at 11.30 a.m. (IST). The proceedings of the AGM are deemed to be conducted at the Registered Office of the Company situated at 317/321, Prospect Chambers, Dr. Dadabhai Naoroji Road, Fort, Mumbai-400001.

3. In compliance with the aforesaid MCA Circulars and as per the SEBI Circular dated October 07, 2023, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Link Intime India Private Limited ("RTA/LIPL")/Depositories/Depository Participants ("DP"). The Company shall send the physical copy of the Annual Report FY 2023-24 to those members who request the same at [investor@dmcc.com](mailto:investor@dmcc.com) mentioning their Folio No. DP ID/Client ID. Members may note that the Notice and Annual Report will also be available on the Company's website at [www.dmcc.com](http://www.dmcc.com), website of Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and on the website of RTA at <https://instavote.linkintime.co.in>

**4. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD THROUGH VC/OAVM, PURSUANT TO MCA CIRCULARS, PHYSICAL ATTENDANCE OF THE MEMBERS HAS BEEN**

**DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP, AND ROUTE MAP OF THE AGM ARE NOT ANNEXED TO THIS NOTICE.**

5. Institutional/Corporate Members (i.e. other than individuals/HUF, NRI etc.) are required to send a duly certified scanned copy (PDF/JPG Format) of its Board or governing body resolution/authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-Voting, pursuant to Section 113 of the Act. The said resolution/authorisation shall be sent to the scrutiniser by email through its registered email address to [skjandassociates@gmail.com](mailto:skjandassociates@gmail.com) with a copy marked to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) and [investor@dmcc.com](mailto:investor@dmcc.com). Such corporate members are requested to refer 'General Guidelines' for members provided in this notice, for more information.

6. The attendance of the members participating in the AGM through VC/OAVM facility using their login credentials shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. As per the provisions of Clause 3.A.II. of the General Circular No. 20/2020 dated May 05, 2020, the matter of Special Business as appearing at Item Nos. 5 of the accompanying notice, is considered to be unavoidable by the Board and hence, forming part of this notice.

8. The members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the meeting by following the procedure mentioned in the notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 (one thousand only) members on first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

9. In compliance with the provisions of Sections 108 and other applicable provisions of the Act, read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is offering only e-Voting facility to all the members of the Company and the business will be transacted only through the electronic voting system. The Company has engaged the services of RTA for facilitating e-Voting to enable the Members to cast their votes electronically as well as for e-Voting during the AGM. Resolution(s) passed by members through e-Voting are deemed to have been passed as if they have been passed at the AGM.

10. In the case of joint holders attending the AGM, only such joint holder who is higher in the order of the names as per the Register of Members of the Company, as of the cut-off date, will be entitled to vote at the Meeting.
11. The format of the Register of Members prescribed by the MCA under the Act requires the Company/Registrars and Share Transfer Agents to record additional details of members, including their PAN details, e-mail address, bank details for payment of dividends, etc. Members are hereby informed that Form ISR-1 for capturing additional details is available on the Company's website i.e. [www.dmcc.com](http://www.dmcc.com). Members holding shares in physical form are requested to submit the filled-in Form No. ISR-1 to the RTA in physical mode. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, bank mandate details, etc., to their Depository Participant ("DP") in case the shares are held
12. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their Demat account(s) dormant for long. Periodic statements of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
13. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form by furnishing KYC details in Form ISR-1.
14. Members, whose KYC details (i.e. e-mail address, postal address with PIN code, mobile number, bank account details, PAN details linked with Aadhaar etc.) is not registered/updated with the Company/RTA or with their respective Depository Participant(s) ['DPs'], and who wish to receive the Notice of the 103<sup>rd</sup> AGM, the Annual Report for the financial year ended March 31, 2024 and all other future communications sent by the Company from time to time, can get their KYC details registered/updated by following the steps as given below:
- a. Members holding shares in physical form by submitting duly filled and signed request letter in Form ISR-1 along with self-attested copy of the PAN Card linked with Aadhaar; and self-attested copy of any document in support of the address of the member (such as Aadhaar Card, Driving Licence, Election Identity Card, Passport etc.) and such other documents as prescribed in the Form ISR-1 to the following address:
- Link Intime India Pvt. Ltd,**  
**Unit: DMCC Speciality Chemicals Limited**  
 C 101, Embassy 247, L.B.S.Marg, Vikhroli (West),  
 Mumbai-400083.

Further, SEBI vide its master circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 in supersession of SEBI circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 and Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023 has instructed to mandatorily furnish PAN, KYC details and Nomination by holders of physical securities. Accordingly, it is once again reiterated that all holders and claimants of physical securities shall furnish valid PAN, KYC details, email address, mobile number, Bank account details and nomination details immediately in the below mentioned forms to the RTA.

Sr. No	Form	Purpose
1	Form ISR-1	To register/update PAN, KYC details
2	Form ISR-2	To Confirm Signature of securities holder by the Bank
3	Form ISR-3	Declaration Form for opting-out of Nomination
4	Form SH-13	Nomination Form
5	Form SH-14	Cancellation or Variation of Nomination (if any)

All above Forms [ISR-1, ISR-2, ISR-3, SH-13, SH-14] and the said SEBI circular are available on the Company's website [www.dmcc.com](http://www.dmcc.com) under Investor Section and also available on the website of RTA at [www.linkintime.co.in](http://www.linkintime.co.in) > Resources>Downloads>KYC. Members may please note that the KYC is pre-requisite requirement for the process of any request from the RTA.

- b. Members holding shares in demat form may update their KYC details including e-mail address with their Depository Participant(s).

Communication in this regard has been sent to all members holding shares in physical form at their registered address from time to time.





15. For members who hold shares in physical form, the Securities and Exchange Board of India ("SEBI"), vide its Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024 read with SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, as amended from time to time, has mandated furnishing of PAN linked with Aadhaar and KYC details (i.e. e-mail address, postal address with PIN code, mobile number, bank account details, PAN details linked with Aadhaar etc.). In case any of the aforesaid documents/details are not available in the record of the Company/Registrar and Share Transfer Agent ("RTA"), the member shall not be eligible to lodge grievance or avail any service request from the RTA until they furnish complete KYC details/documents. **Further, with effect from April 01, 2024, any payment of dividend shall only be made in electronic mode to such members.**

Further, SEBI has mandated that securities of listed companies can be transferred only in demat form. Therefore, members are advised to dematerialize shares held by them in physical form for ease in portfolio management.

For consolidation of share certificates, members holding shares in physical form, in more than one folio, with identical order of names, are requested to send the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio to the RTA. Requests for consolidation of share certificates shall only be processed in dematerialized form.

Nomination facility as per the provisions of Section 72 of the Act is available to individuals holding shares in the Company. Members may nominate a person in respect of all the shares held by them severally or jointly. Members holding shares in physical form and who have not yet registered their nomination are requested to register the same by submitting Form SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the website of the Company and RTA. Members holding shares in demat form may approach their respective DPs for completing the nomination formalities.

Online Dispute Resolution (ODR) Portal is introduced by SEBI vide its Master Circular SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/145 dated August 11, 2023, which is in addition to the existing SCORES 2.0 portal which can be utilized by the investors and the Company for dispute resolution. Please note that the investors are advised to initiate dispute resolution through the ODR portal only if the Company does not resolve the issue itself or it is not resolved through SCORES 2.0 portal.

Members may refer to the SEBI Master Circular, relevant Investor Service Request Forms, Nomination Forms and contact details for sending requisite forms/documents, available on the Company's website at [https://www.dmcc.com/Media/pdf/Dispute-Resolution\\_Online-ODR\\_DMCC.pdf](https://www.dmcc.com/Media/pdf/Dispute-Resolution_Online-ODR_DMCC.pdf).

16. **Process for those members whose e-mail ids are not registered with the Depositories/RTA for obtaining Notice of AGM along with the Annual Report, procuring user id and password, and registration of e-mail ids for e-Voting of the resolution set out in this AGM Notice.**

- A. **One-time registration of e-mail address with RTA for receiving the Notice and casting votes electronically:**

As part of Company's green initiative and to facilitate Members to receive this Notice electronically, the Company has made special arrangements with its RTA i.e. Link Intime India Private Limited for registration of e-mail addresses. Eligible Members who have not registered their e-mail addresses with the RTA, are required to provide the same to the RTA, on or before 5:00 p.m. (IST) on Monday, August 19, 2024.

- B. **Process to be followed for one-time registration of e-mail address (for shares held in physical form or in electronic form) is as follows:**

- Visit the link: [https://liiplweb.linkintime.co.in/EmailReg/Email\\_Register.html](https://liiplweb.linkintime.co.in/EmailReg/Email_Register.html);
- Select the name of the Company from drop-down: DMCC Speciality Chemicals Limited;
- Enter details in respective fields such as DP ID and Client ID (if shares held in electronic form)/Folio no. and Certificate no. (if shares held in physical form), Shareholder name, PAN, mobile number and e-mail id;
- System will send One Time Password ('OTP') on mobile no. and e-mail id; and
- Enter OTP received on mobile no. and e-mail id and submit.

After successful submission of the e-mail address, RTA will e-mail a copy of the Postal Ballot Notice along with the e-Voting user ID and password. For voting process, please refer 'Notes' section of the Postal Ballot Notice. In case of any queries, Members may write to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

- C. **Registration of e-mail address permanently with RTA/DP:**

Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participant (DP) in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form by furnishing KYC details in Form ISR-1. The said form and other relevant KYC Forms are available on the website of the Company at [www.dmcc.com](http://www.dmcc.com) and on the website of RTA at <https://liiplweb.linkintime.co.in/KYC-downloads.html>

17. The Company has a designated email ID for Redressal of Shareholders'/Investors' Complaints/Grievances. Hence, please write to us at [investor@dmcc.com](mailto:investor@dmcc.com)

## 18. Book Closure and Dividend

- A. The Register of Members and the Share Transfer Books of the Company will be closed from **Thursday, August 29, 2024 to Wednesday, September 04, 2024** (both days inclusive) for the purpose of this AGM and for determining the entitlement of members to final dividend for the financial year ended March 31, 2024.
- B. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made within the statutory timeline of 30 days to those members whose names appear:
- To all the Beneficial Owners as at the end of the day on Wednesday, August 28, 2024, as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
  - On the Register of Members of the Company as on Wednesday August 28, 2024, after giving effect to valid transfers in respect of the transfer request lodged with the Company's RTA, on or before the close of business hours on Wednesday, August 28, 2024, in respect of shares held in physical form.

In accordance with the SEBI Circular, dividends, in respect of physical folios wherein KYC details are not updated before the record date i.e. August 28, 2024, will be held back by the Company and an intimation shall be sent by the Company to such shareholders, whose details are not registered, that their payment is due and has been withheld. Further, the dividend will get credited to their bank account only after the KYC details are updated in the folio. However, company will follow any mandate in case otherwise issued by the SEBI in this regard.

- Members holding shares in physical form and who have yet to register/update their bank account details for electronic receipt of dividend amount directly into their bank accounts are requested to update their KYC and bank account details by submitting Forms ISR-1, ISR-2 and SH-13 along with the supporting documents to our RTA i.e. Link Intime India Private Limited (Unit: DMCC Speciality Chemicals Ltd.) at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai, Maharashtra 400078. Please refer instructions provided in Para 14 and 15 of this notice.
19. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends for 7 consecutive years are also liable to be transferred to the Demat account of the IEPF Authority. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may write to the Company/RTA for advising the procedure for Claiming the shares/dividend from IEPF Authorities. On the shareholder/Claimant compiling with the procedure advised and submitting the required documents, the

Company shall issue Entitlement Letter. The Members can submit the Entitlement Letter alongwith Form IEPF 5 and other required documents as mentioned at [www.iepf.gov.in](http://www.iepf.gov.in) and claim their shares from IEPF Authority. For details, please refer to the Board Report which is a part of this Annual Report, and the investor section on the Company's website <https://www.dmcc.com/investor/investor-information/dividends>

## 20. TDS on Dividend

Pursuant to Finance Act, 2020, dividend income is taxable in the hands of shareholders effective April 01, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at the prescribed rates. For the prescribed rates for various categories, the members are requested to refer to the Finance Act, 2020 including amendments thereof and **Annexure II** of this Notice. In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential status, PAN and Category with their depository participants ('DPs') in case shares are held in Demat mode or in case shares are held in physical form, with the Company/Registrars and Transfer Agents ('RTA') by sending documents/following procedure given in **Annexure II** on or before **August 28, 2024**.

21. Members who have not encashed their dividend warrants or whose dividends are unclaimed are requested to lodge their claims with the RTA at the earliest.
22. Members who wish to obtain any information on the financial statements for the financial year ended March 31, 2024 can send their queries at [investor@dmcc.com](mailto:investor@dmcc.com) at least 7 (seven) days before the date of AGM i.e. by August 28, 2024. The same will be replied by/on behalf of the Company suitably.
23. The register of directors and key managerial personnel and their shareholding maintained under Section 170 of the Act, the register of contracts or arrangements in which the directors are interested, maintained under Section 189 of the Act, and relevant documents referred to in the notice or statement will be available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send an e-mail to [investor@dmcc.com](mailto:investor@dmcc.com)
24. All documents referred to in the Notice and the statement pursuant to Section 102 of the Act shall also be available electronically for inspection without any fee by members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [investor@dmcc.com](mailto:investor@dmcc.com).

## 25. Unclaimed Deposits

Post-Merger of Borax Morarji Limited (BML) with your Company, the Company has transferred the balance amount of unclaimed matured deposit of erstwhile BML i.e. ₹ 0.10 lakhs to IEPF and thus as on March 31, 2024 there are no deposits amounts lying unclaimed with the Company. The Deposit holders whose unclaimed matured deposits have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 as available on [www.iepf.gov.in](http://www.iepf.gov.in)



## 26. Unclaimed Shares

Pursuant to the requirement of Regulation 39(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (dealing with unclaimed shares in the physical form) and in accordance with the procedure laid down in Schedule VI of the said Listing Regulations, as on date 52671 nos. of equity shares are lying in the Unclaimed Suspense A/C maintained by the Company. The details of shares lying in the Unclaimed Suspense A/C are provided at the website of the Company at <https://www.dmcc.com/investor/investor-information/unclaimed-shares> Members are requested to claim the shares lying with the said Unclaimed Suspense Account by duly submitting ISR-4 form with the RTA.

## 27. Suspense Escrow Demat Account

SEBI has vide its circular SBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 05, 2022, has mandated, in case the securities holder/claimant fails to submit the demat request within 120 days from date of issuance of Letter of confirmation, RTA/Issuer Company shall credit/transfer the securities to Suspense Escrow Demat Account opened with Depository Participant. Accordingly, as on date of this Notice 219 Nos of Equity Shares are lying in Suspense Escrow Demat Account. The details of the same are provided in the website of the Company at [www.dmcc.com](http://www.dmcc.com) under Investor Section.

## 28. NRI Members are requested to:

- a. change their residential status on return to India permanently.
- b. furnish particulars of bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code No., if not furnished earlier.

## 29. Members are requested to:

- a) Quote DP ID and Client ID/Ledger Folio numbers in all their correspondence;
- b) Approach the RTA for consolidation of multiple ledger folios into one.

## 30. Voting through electronic means:

- i. The instructions for remote e-Voting are as under:
  - i. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company provides to Members the facility of exercising their right to cast vote(s) before or at the AGM by electronic means and the business may be transacted, accordingly;
  - ii. The facility of casting votes by the Members using an electronic voting system from a place other than the venue of the AGM ("remote e-Voting") and e-Voting at the AGM is being provided by the Link Intime India Private Limited ("RTA") or ("LIPL");

- iii. The voting rights of Members shall be in proportion to their shareholding in the paid-up equity share capital. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Company/RTA/depositories **as on the record date ("Cut-off" Date), Wednesday, August 28, 2024** shall only be entitled to avail the facility of remote e-Voting or e-Voting at the AGM. Any person holding shares in physical form and non-individual shareholders, who acquire shares of the Company and becomes a Member of the Company after the dispatch of this Notice and holding shares as on the cut-off date, i.e. **Wednesday, August 28, 2024**, may obtain the User ID and password by sending a request along with the requisite documents by sending email to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in);
- iv. In this regard, the Member's demat account/ folio number as on the Cut-off Date shall be considered by the Company for participation in voting on resolutions placed by the Company on the e-Voting system;
- v. **Members can opt for only one mode of voting i.e. either by remote e-Voting or e-Voting at the AGM.** Members attending the AGM, who have not cast their vote(s) earlier by remote e-Voting shall be able to exercise their right at the Meeting through e-Voting at the AGM. Member(s) who have cast their vote(s) by remote e-Voting prior to the AGM, may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote(s) again;
- vi. The e-Voting period begins on **Sunday, September 01, 2024 at 9.00 a.m. (IST) and ends on Tuesday, September 03, 2024 at 5.00 p.m. (IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the **Cut-off Date** may cast their vote(s) electronically. The remote e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Subject to receipt of the requisite number of votes, the Resolutions passed by remote e-Voting are deemed to have been passed as if they have been passed at the AGM i.e. Wednesday, September 04, 2024;
- vii. A person who is a Member as on the Cut-off Date shall only be entitled for availing the facility of remote e-Voting or e-Voting at the Meeting. A person who is not a Member as on the Cut-off Date should treat this Notice for information purpose only.

**The procedure and instructions for remote e-Voting are as under:**

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

**A. Individual Shareholders holding securities in demat mode with NSDL:**

**METHOD 1 - If registered with NSDL IDeAS facility**

Users who have registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter user id and password. Post successful authentication, click on "Access to e-Voting".
- c) Click on "LINKINTIME" or "e-Voting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-Voting period.

**OR**

User not registered for IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>.
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on "Access to e-Voting".
- e) Click on "LINKINTIME" or "e-Voting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-Voting period.

**METHOD 2 - By directly visiting the e-Voting website of NSDL**

- a) Visit URL: <https://www.evoting.nsdl.com/>.
- b) Click on the "Login" tab available under 'Shareholder/Member' Section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-Voting".
- e) Click on "LINKINTIME" or "e-Voting link displayed alongside Company's Name" and you will be

redirected to Link Intime InstaVote website for casting the vote during the remote e-Voting period.

**B. Individual Shareholders holding securities in demat mode with CDSL:**

**METHOD 1 - From Easi/Easiest**

Users who have registered/opted for Easi/Easiest:

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/home/login> or [www.cdslindia.com](http://www.cdslindia.com).
- b) Click on New System Myeasi.
- c) Login with user id and password.
- d) After successful login, user will be able to see e-Voting menu. The menu will have links of e-Voting service providers i.e., LINKINTIME, for voting during the remote e-Voting period.
- e) Click on "LINKINTIME" or "e-Voting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-Voting period.

**OR**

Users not registered for Easi/Easiest:

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration>.
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-Voting menu.
- e) Click on "LINKINTIME" or "e-Voting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-Voting period.

**METHOD 2 - By directly visiting the e-Voting website of CDSL**

- a) Visit URL: <https://www.cdslindia.com/>.
- b) Go to e-Voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account.
- e) After successful authentication, click on "LINKINTIME" or "e-Voting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-Voting period.



**C. Individual Shareholders holding securities in demat mode with Depository Participant:**

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-Voting facility:

- a) Login to DP website.
- b) After Successful login, members shall navigate through "e-Voting" tab under Stocks option.
- c) Click on e-Voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting menu.
- d) After successful authentication, click on "LINKINTIME" or "e-Voting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-Voting period.

**D. Login method for Individual shareholders holding securities in physical form/Non-Individual Shareholders holding securities in demat mode is given below:**

Individual Shareholders of the Company, holding shares in physical form/Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-Voting may register for e-Voting facility of Link Intime as under:

1. **Visit URL:** <https://instavote.linkintime.co.in>.
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details:

**A. User ID:**

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

**B. PAN:**

Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

**C. DOB/DOI:**

Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format).

**D. Bank Account Number:**

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

\*Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above.

\*Shareholders holding shares in **NSDL form**, shall provide 'D' above.

- » Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).
- » Click "confirm" (Your password is now generated).
3. Click on 'Login' under 'SHARE HOLDER' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

**Cast your vote electronically:**

1. After successful login, you will be able to see the notification for e-Voting. Select 'View' icon.
2. e-Voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour/Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
4. After selecting the desired option i.e. Favour/Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

**E. Guidelines for Institutional shareholders ("Corporate Body/Custodian/Mutual Fund"):**

**STEP 1 - Registration**

- a) **Visit URL:** <https://instavote.linkintime.co.in>.
- b) Click on Sign up under "Corporate Body/Custodian/Mutual Fund".
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person e-mail ID (which is filled at the time of sign up at Sr. No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in).
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

**STEP 2 –Investor Mapping**

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on “Investor Mapping” tab under the Menu Section.
- c) Map the Investor with the following details:
  - a. ‘Investor ID’:
    - i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678.
    - ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
  - b. ‘Investor’s Name’: Enter full name of the entity.
  - c. ‘Investor PAN’: Enter your 10-digit PAN issued by Income Tax Department.
  - d. ‘Power of Attorney’: Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the “Report Section”.

**STEP 3 – Voting through remote e-Voting**

The corporate shareholder can vote by two methods; once remote e-Voting is activated:

**METHOD 1 - VOTES ENTRY**

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on ‘Votes Entry’ tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote e-Voting.
- d) Enter ‘16-digit Demat Account No.’ for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option ‘Favour/Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
- f) After selecting the desired option i.e., Favour/Against, click on ‘Submit’.

- g) A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

**VOTES UPLOAD:**

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) You will be able to see the notification for e-Voting in inbox.
- c) Select ‘View’ icon for ‘Company’s Name/Event number’ e-Voting page will appear.
- d) Download sample vote file from ‘Download Sample Vote File’ option.
- e) Cast your vote by selecting your desired option ‘Favour/Against’ in excel and upload the same under ‘Upload Vote File’ option.
- f) Click on ‘Submit’. ‘Data uploaded successfully’ message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

**Helpdesk:****Helpdesk for Individual shareholders holding securities in physical form/Non-Individual Shareholders holding securities in demat mode:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on Tel: 022 – 4918 6000.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: 022 – 4886 7000 and 022 – 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**Forgot Password:****Individual shareholders holding securities in physical form has forgotten the password:**

If an Individual shareholders holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>.

- » Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- » Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

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

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate)	Your User ID is Event No + Folio Number registered with the Company
User ID for Shareholders holding shares in NSDL demat account	Your User ID is 8 Character DP ID followed by 8 Digit Client ID
User ID for Shareholders holding shares in CDSL demat account	Your User ID is 16 Digit Beneficiary ID

**Institutional shareholders ("Corporate Body/Custodian/Mutual Fund") has forgotten the password:**

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>:

- \* Click on 'Login' under 'Corporate Body/Custodian/Mutual Fund' tab and further Click 'forgot password?'
- \* Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case shareholders is having valid email address, Password will be sent to hisher registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question*

**32. PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:**

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in/>.
  - » Select the "Company" and 'Event Date' and register with your following details:

**A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No.

Manner of holding shares	Your User ID
For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID
For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID
For Members who holds shares in physical form	Folio Number registered with the Company

*and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

**Individual Shareholders holding securities in demat mode with NSDL/CDSL has forgotten the password:**

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

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

**31. General Guidelines for Shareholders:**

- i. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-Voting system of Link in Time Pvt. Ltd. (LIPL) at <https://instavote.linkintime.co.in> and register themselves as 'Custodian/Mutual Fund/Corporate Body'.
- ii. They are also required to upload a scanned certified true copy of the Board Resolution/ Authority Letter/Power of Attorney, etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian/Mutual Fund/Corporate Body' login for the Scrutinizer to verify the same.
- iii. Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- iv. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of this AGM Notice and holds shares as on the Cut-off Date may obtain the login id and password by sending a request at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) / [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in) or call on 022 - 49186175/49186000.

- B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable).
  - C. **Mobile No.:** Enter your mobile number.
  - D. **E-mail ID:** Enter your email id, as recorded with your DP/Company.
- » Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/InstaMeet website.

#### Instructions for Shareholders/Members to Speak during the Annual General Meeting through InstaMeet:

1. Members who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, e-mail address, mobile number at [investor@dmcc.com](mailto:investor@dmcc.com) on or before August 28, 2024.
2. Members will get confirmation on first cum first basis depending upon the provision made by the client.
3. Members will receive "speaking serial number" once they mark attendance for the Meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please quote your serial number and start your conversation with panelist(s) by switching on the video and audio of your device.
6. Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. The caption/subject of the email may please be mentioned as "Speaker for AGM\_<DP ID>\_<Client ID>". Those Members who have registered themselves as speaker will only be allowed to express their views/ask questions during the Meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
8. Members should be allowed to use camera and required to use internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance while speaking.
9. When a pre-registered speaker is invited to speak at the meeting but he/she does not respond, the next speaker

will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/camera along with good Internet speed. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

#### Members are requested to speak only when the moderator of the Meeting will announce the name and serial number for speaking.

#### Instructions for Shareholders/Members to Vote during the AGM through InstaMeet:

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

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
2. Enter your 16 digit Demat Account No./Folio No. and OTP (received on the registered mobile number/registered email id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

#### Note:

Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.





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

In case shareholders/members have any queries regarding login/e-Voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on Tel: 022-49186175.

- ii. Guidelines for the registered speakers for speaking at the AGM through Link Intime India Private Limited's InstaMeet.
  - a) For a smooth experience of viewing the AGM proceedings through LIPL's InstaMEET, shareholders/members who are registered as speakers for the event i.e. AGM are requested to download and install the Webex Meetings application in advance. Please download and install the Webex Meetings application by clicking on the link <https://www.webex.com/downloads.html/> OR
  - b) If you do not want to download and install the Webex Meetings application, you may join the meeting through InstaMEET and follow the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now
1(A)	If you have already installed the Webex Meetings application on your device, join the meeting by clicking on Join Now
1(B)	» If Webex Meetings application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.
	» Click on Run a temporary application, an exe file will be downloaded.
	» Click on this exe file to run the application and join the meeting by clicking on Join Now by filling your first name, last name and email address.

iii. The following URLs need to be white-listed in your own laptop, desktop, tablet, smartphone etc. on the AGM date:

- a) <https://camonview.com>
- b) <https://instameet.linkintime.co.in>

iv. Members are encouraged to join the Meeting through tablets/laptops connected through broadband for better experience.

v. Members are required to use internet with a good speed preferably 2 MBPS download stream to avoid any disturbance during the Meeting.

vi. Any internet outage or fluctuation in connectivity at your site may have an adverse impact on the audio/video quality during the meeting. LIPL or the Company shall not be responsible for the same.

vii. In case the members have both the computer and telephone audio active or the speakers on members' computers or telephones are too close to each other or there are multiple computers with active audio in the same room, there will be instances of audio echo in the meeting.

viii. In case two or more Members are joining the meeting through a Board Room/Common Location, proper arrangements of audio & video should be in place and Webex will be run on only one system.

ix. Please note that Members connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience Audio/Visual loss due to

### Guidelines to attend the AGM Proceedings of Link Intime India Private Limited: InstaMEET

i. Please refer the following instructions for the software requirements and kindly ensure to install the same on the device which would be used to attend the AGM. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you below/at InstaMeet website.

fluctuation in their network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

x. Members are encouraged to speak in the Meeting after un-muting themselves once their turn arrives as per the name announcement. Once the member has finished communicating, he/she should mute themselves immediately. (Mute your device if you're not speaking. Your microphone can pick up a lot of background noise, so muting allows others to easily hear others).

xi. In case the Members have any queries or issues regarding login/e-Voting, they can write an e-mail to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or call on 022 - 49186175/49186000, the InstaMeet support desk.

**33.** Shri Satish Kumar Jain, Practising Company Secretary (Membership No. FCS: 6398; CP No. 6632) has been appointed as the Scrutinizer to scrutinize the remote e-Voting and ensure that the voting process at the AGM is conducted in a fair and transparent manner and issue a report on the votes through remote e-Voting and those cast at the AGM.

### 34. Declaration of results on the resolutions

i. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company. The Scrutiniser shall make, not later than two working days from conclusion of the Meeting, a consolidated Scrutiniser's Report of the total votes cast in favour or against each resolution,

invalid votes, if any, and whether the resolution(s) has/have been carried or not. This report shall be submitted to the Chairperson or a person authorised by him, in writing, who shall countersign the same.

- ii. The results shall be declared after the AGM of the Company and shall be deemed to be passed on the date of AGM. The results along with the Scrutiniser's Report shall be placed on the website of the Company [www.dmcc.com](http://www.dmcc.com) within two working days of passing of the resolutions at the AGM of the Company and shall be communicated to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), where the Company's equity shares are listed. RTA, who has provided the platform for facilitating remote e-Voting, will also display these

results on its website <https://instavote.linkintime.co.in> The said results shall also be displayed at the registered office of the Company.

35. Members may note that the Notice will also be available on the Company's website [www.dmcc.com](http://www.dmcc.com), RTA's website <https://instavote.linkintime.co.in>; websites of the stock exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and The National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com).
36. Members are requested to kindly keep the Annual Report sent to their registered e-mail ID with them while attending the AGM through VC/OAVM.
37. The recorded transcript of the AGM, shall also be made available on the website of the Company at [www.dmcc.com](http://www.dmcc.com) under the tab of 'Investor'.

# Explanatory Statement Pursuant to the Provisions of Section 102 of the Companies Act, 2013

## Item No. 5

Pursuant to the provisions of Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a cost accountant in practice. On the recommendation of the Audit Committee, the Board of Directors has approved the re-appointment of CMA Shri S. S. Dongare holding ICWA Registration Number 12521, to conduct the audit of the cost records maintained by the Company for the financial year 2024-25, at a remuneration of ₹ 1,00,000/- (Rupees One Lakh Only) plus taxes and actual out-of-pocket expenses.

CMA Shri S. S. Dongare has furnished a certificate regarding his eligibility for appointment as Cost Auditors of the Company. He has vast experience in the field of cost audit and has conducted the audit of the cost records of the Company for the previous year under the provisions of the Act.

The Board recommends the Resolutions at Item No. 5 for your approval as Ordinary Resolution.

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

# Annexure I

ADDITIONAL INFORMATION AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015 & SECRETARIAL STANDARD - 2 ON GENERAL MEETINGS ABOUT DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT ARE AS UNDER:

Name of the Director	Shri Laxmikumar Narottam Goculdas
Date of Birth	September 17, 1943
Director Identification Number (DIN)	00459347
Category and Designation	Chairman, Promoter Non-Executive, Non-Independent Director
Date of first appointment on the Board	March 06, 1992
Brief Resume and nature of expertise in specific functional areas	Shri Laxmikumar N. Goculdas possesses over half a century of valuable expertise in the industry, with a profound understanding of trade, commerce, and corporate strategy. His impressive acumen in corporate restructuring, public relations, and international trade sets him apart as an exceptional leader. Moreover, his comprehensive knowledge in business administration and corporate affairs serves as an invaluable asset to the Company.
Terms & conditions of Appointment/reappointment	Terms and Conditions of appointment or re-appointment is as per the provisions of the Companies Act and Listing Regulations and as per the Remuneration and Nomination Policy of the Company as displayed on the Company's website i.e. <a href="http://www.dmcc.com">www.dmcc.com</a>
Details of remuneration sought to be paid	As per the Remuneration and Nomination Policy of the Company as displayed on the Company's website i.e. <a href="http://www.dmcc.com">www.dmcc.com</a>
Remuneration last drawn for FY 2023-24	Sitting Fees: ₹ 2.25 lakhs Commission: ₹ 4.84 lakhs
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Yes, Father of Vice-Chairperson and uncle of Managing Director and Chief Executive Officer of the Company.
Number of Board Meetings attended during the year FY 2023-24	4 (Four)
Directorships held in other Companies, excluding foreign Companies as on March 31, 2024	<ul style="list-style-type: none"> <li>» Bombay Foods Private Limited</li> <li>» Natural Gas Company Private Limited</li> <li>» Gocul Gas Private Limited</li> <li>» L P Gas Transport and Bottling Company Private Limited</li> <li>» Kosan Industries Private Limited</li> <li>» L P Gas Equipments Private Limited</li> <li>» Autogas Conversion (India)Private Limited</li> <li>» B S and Services Gas Agencies Bhopal Private Limited</li> <li>» Phoenix Distributors Gas Agencies Bhopal Private Limited</li> <li>» Phoenix Distributors Private Limited</li> <li>» Jasraj Trading Company</li> <li>» B S and Service Private Limited</li> </ul>
Memberships/Chairmanships of Audit and Stakeholders Relationship Committees of other Public Companies as on March 31, 2024	<ul style="list-style-type: none"> <li>i. Chairman of Stakeholders Relationship Committee</li> <li>ii. Member of the Audit Committee</li> </ul>
Name of the Listed Entities from which the Director has resigned in the past three years	Nil
Number of shares held as on March 31, 2024	9044691 Nos. of Equity Shares of ₹ 10/- each
Shareholding as Beneficial Owner as on March 31, 2024	Being a Significant Beneficial Owner (SBO) as per the provisions of the Companies Act, 2013 he also indirectly holds 3929778 Nos. of Equity Shares of ₹ 10/- each

# Annexure II

## Intimation on deduction of Tax on Final Dividend FY-2023-24

This is to inform you that the Board of Directors have, at their Meeting held on May 23, 2024, recommended a final dividend of ₹ 1.00/- per Equity Share of ₹ 10/- each (10%) for the financial year ended March 31, 2024, and the same would be payable, if approved by the members at the 103<sup>rd</sup> Annual General Meeting (AGM) of the Company to be held on September 04, 2024.

As you are aware, pursuant to the provisions of the Income Tax Act, 1961 ("the Act"), dividend paid or distributed by a Company is taxable in the hands of the members. The Company is therefore required to deduct tax at source at the time of making payment of the dividend to the members at the applicable rates.

The rate at which the dividend is subject to withholding tax would vary depending on the residential status of the shareholders and the documents submitted by them and accepted by the Company. This communication provides the applicable Tax Deduction at Source ("TDS") provisions under the Act for Resident and Non-Resident Shareholder categories. We request all the members to take note of the applicable TDS rates and provide the documents to the Company, as applicable to them.

All members are requested to ensure that the below information & details are completed and/or updated, as applicable, in their respective demat account(s) maintained with the DP(s); or in case of shares held in physical form, with Link Intime India Private Limited (RTA/LinkIntime), on or before **August 28, 2024**.

Please note that the following information & details, if already registered with the LinkIntime and Depositories, as the case may be, will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions:

- Valid PAN\*.
- Residential status as per the Income Tax Act, 1961 i.e. Resident or Non-Resident for FY 2023-24.
- Category of the Shareholder viz. Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) Category I and II, AIF Category III, Government (Central/ State Government), Foreign Portfolio Investor (FPI)/ Foreign Institutional Investor (FII): Foreign Company, FPI/FII: Others (being Individual, Firm, Trust, Artificial Juridical Person, etc.), Individual, Hindu Undivided Family (HUF), Firm, Limited Liability Partnership (LLP), Association of Persons (AOP), Body of Individuals (BOI) or Artificial Juridical Person, Trust, Domestic Company, Foreign Company, etc.

d) E-mail Address.

e) Residential Address.

\*If the PAN is not as per the database of the Income Tax Portal, it would be considered as an invalid PAN. **Further, as per the Notification of the Central Board of Direct Taxes, individual shareholders are requested to link their Aadhaar number with PAN.**

Members are requested to take note of the TDS rates and document/s, if any, required to be submitted to the Company by the August 28, 2024, their respective category, in order to comply with the applicable TDS provisions.

### I. Resident Shareholders:

Tax would be deducted at Source under Section 194 of the Act, at a rate of 10% on the amount of dividend where Shareholders have registered their valid Permanent Account Number ("PAN") with their respective Depositories (for shares held in demat form) or Company's RTA or the Company (for physical shares) as the case may be and at a rate of 20% for cases wherein:

- the Shareholders do not have PAN or have not registered their valid PAN as mentioned above; or
- the Shareholders have not linked their Aadhaar with their PAN rendering the PAN as inoperative; or
- the Shareholder(s) have not filed their Income Tax return for FY 2022-23 and the aggregate amount of TDS and Tax Collected at Source in his/her case is ₹ 50,000/- or more in the said previous year. [Section 206AB – Refer Para III below].

#### 1. Resident Individual Shareholders

No tax shall be deducted on dividend payable to Resident Individual Shareholder, if:

- total dividend to be paid in the financial year 2024-25 does not exceed ₹ 5,000/-. The threshold amount of ₹ 5,000/- shall be at the PAN level and not at Folio/DP level; or
- the shareholder provides Form 15G (applicable to an Individual below the age of 60 years)/Form 15H (applicable to an individual of the age of 60 years and above), as per attached formats, subject to required eligibility conditions being met. Needless to say, having a valid PAN is mandatory for providing Forms 15G/15H.

## 2. Other Resident Non-Individual Shareholders:

Please refer to the table below for the rate of TDS and documents to be provided:

Category of Shareholder	Tax deduction rate	Documents to be provided
Shareholders whose PAN is registered with Depositories or Company's RTA or the Company and not covered by the provision of Section 206AB of the Act	10%	<p><b>For shares held in demat form:</b> Register the PAN and the residential status as per Income Tax Act, 1961 with the Depositories, if not registered;</p> <p><b>For shares held in physical mode:</b> Register the PAN and the residential status as per Income Tax Act, 1961 with Link Intime India Private Limited, if not registered.</p>
Shareholders who submit the Order under Section 197 of the Income tax Act, 1961	At the Rate provided in the Order	Lower/Nil withholding tax certificate obtained from the tax authority.
Shareholders [e.g. LIC, GIC, Other Insurers, Business Trust as defined in Section 2(13A) of the Act] to whom provisions of Section 194 of the Income Tax Act, 1961 are not applicable	Nil	<p>(a) Self-declaration that it has full beneficial interest with respect to the shares owned by it;</p> <p>(b) Self-attested copy of registration certificate; and</p> <p>(c) Self-attested copy of PAN Card.</p>
Alternative Investment Fund	Nil	<p>(a) Self-declaration stating that the shareholder is</p> <ul style="list-style-type: none"> <li>- Category I or Category II Alternative Investment Fund and is regulated by the Securities and Exchange Board of India;</li> <li>- covered by notification no. 51/2015 dated June 25, 2015; and</li> <li>- has full beneficial interest with respect to the shares owned by it.</li> </ul> <p>(b) Self-attested copy of registration certificate; and</p> <p>(c) Self-attested copy of PAN Card.</p>
Shareholders covered under Section 196 of the Income Tax Act, 1961 (e.g. Mutual Funds, Government, etc.)	Nil	<p>(a) Self-declaration stating that the shareholder is</p> <ul style="list-style-type: none"> <li>- a Mutual Fund as specified in Section 10(23D) of the Income Tax Act, 1961/a Corporation established by or under a Central Act whose income is exempt from Income Tax;</li> <li>- covered by Section 196 of Income Tax Act, 1961; and</li> <li>- has full beneficial interest with respect to the shares owned by it.</li> </ul> <p>(b) Self-attested copy of registration certificate; and</p> <p>(c) Self-attested copy of PAN Card.</p>
Shareholders whose income is unconditionally exempt under Section 10 of the Income Tax Act, 1961 and covered by the CBDT circular no. 18/2017 dated May 29, 2017	Nil	<p>(a) Self-declaration stating that the shareholder is</p> <ul style="list-style-type: none"> <li>- unconditionally exempt under Section 10 of the Income Tax Act, 1961 and statutorily not required to file its Return of Income as per Section 139 of the Act;</li> <li>- covered by the circular no. 18/2017 dated May 29, 2017; and</li> <li>- has full beneficial interest with respect to the shares owned by it.</li> </ul> <p>(b) Self-attested copy of registration certificate; and</p> <p>(c) Self-attested copy of PAN Card.</p>

**II. Non-Resident Shareholders:**

Category of Shareholder	Tax deduction rate	Documents to be provided
Non-Resident Shareholders [Including Foreign Institutional Investors (FII)/Foreign Portfolio Investors (FPI)] who are not covered by the provisions of Section 206AB of the Act	20% plus applicable surcharge and cess <b>OR</b> Tax Treaty Rate** (whichever is lower)	Documents required to claim treaty benefits: (a) Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax Authorities. In case, PAN is not available, self-declaration containing specified information (i.e. contact number, email, etc.) (draft format attached herewith). (b) Self-attested copy of Tax Residency Certificate (TRC)^ obtained from the Tax Authorities of the country of which the shareholder is resident, valid for the financial year 2024-25. (c) Self-attested copy of Form 10F electronically submitted on the Income Tax Portal ( <a href="http://www.incometax.gov.in">www.incometax.gov.in</a> ) for the financial year 2024-25. (d) Self-declaration of having no Permanent Establishment in India and Beneficial ownership. (draft format attached herewith).  ^ In case, the TRC is furnished in a language other than English, the said TRC would have to be translated from such other language to English language and thereafter duly notarized and apostilled copy of the TRC would have to be provided.  ** The beneficial Tax Treaty rates will not automatically apply at the time of tax deduction/ withholding on dividend amounts. Application of beneficial Tax Treaty Rate shall depend upon the completeness and satisfactory review by the Company of documents submitted by non-resident shareholders. In case documents are found to be incomplete, the Company reserves the right to not consider the tax rate prescribed under the tax treaty.
Non-Resident Shareholders who submit the Order under Section 197 of the Income Tax Act, 1961	At the Rate provided in the Order	Lower/Nil withholding tax certificate obtained from the tax authority.

The Company is not obligated to apply the beneficial Tax Treaty rates at the time of tax deduction/withholding tax on dividend amounts. Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non-Resident shareholder and subject to review and satisfaction of the Company.

The Company in its sole discretion reserves the right to call for any further information, if so required.

Please also note that in case the Shareholder has multiple accounts under different category/status, then the higher rate of tax as applicable to the category/status shall be considered on his entire holding in different accounts.

**III. TDS to be deducted at a higher rate in case of non-filers of Return of Income [Section 206AB]:**

The Finance Act, 2021, had inter alia inserted the provisions of Section 206AB of the Act which became effective from July 01, 2021. Accordingly, tax at higher of the following rates would be deducted from the amount paid/credited to 'Specified person':

- At twice the rate specified in the relevant provision of the Act;
- At twice the rates or rates in force; or

- At the rate of 5%.

**'Specified person' means a person who has:**

- not furnished the return of income of the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit of furnishing return of income under sub-section (1) of Section 139 has expired; and
- the aggregate of tax deducted at source/tax collected at source in his/her case is ₹ 50,000/- or more in the said previous year.

A non-resident who does not have the permanent establishment in India or any person who is not required to furnish the return of income for the assessment year relevant to the said previous year and is notified by the Central Government in the official gazette in this behalf are excluded from the scope of a Specified person.

The Central Board of Direct Taxes vide Circular No. 11 of 2021 dated June 21, 2021, notified the functionality for determining whether the Shareholder is a 'Specified person' as per Section 206AB or not. The Company will be using functionality of the Income Tax department to determine the applicability of Section 206AB of the Act.



#### IV. Submission of Tax Related Documents:

##### TO ALL MEMBERS FOR SUBMISSION OF TAX RELATED DOCUMENTS:

- a) The Company with M/s. Link Intime India Pvt. Ltd., Company's Registrar and Transfer Agent has enabled a shareholder web portal for submission of tax exemption forms/requested documents.
- b) Forms 15G/15H/10F and Self Declaration form for tax exemption can be downloaded from the LIPL's website. The URL for the same is <https://liiplweb.linkintime.co.in/client-downloads.html> On this page select the General tab. All the forms are available in under the head "Form 15G/15H/10F". The aforementioned documents (duly completed and signed) are required to be uploaded on the URL <https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> On this page the user shall be prompted to select/share the following information to register their request:
  1. Select the Company (Dropdown) i.e. DMCC Speciality Chemicals Limited;
  2. Folio/DP-Client ID;
  3. PAN;
  4. Select Financial year (Dropdown) i.e. 2024-25;
  5. Select Exemption Form - Any one as applicable (Form 15G/15H/10F);
  6. Attach Document - 1 (PAN) (Only PDF/JPG/JPEG/PNG/GIF. Max file size 1 MB);
  7. Attach Document - 2 (Forms as applicable) (Only PDF/JPG/JPEG/PNG/GIF. Max file size 1 MB);
  8. Attach Document - 3 (Any supporting document). (Only PDF/JPG/JPEG/PNG/GIF. Max file size MB).
- c) Shareholders are encouraged to file documents for claiming tax exemption in the manner mentioned above by visiting the link <https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> however in case, any shareholder faces any difficulty may email the documents for claiming tax exemption to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) with copy to [investor@dmcc.com](mailto:investor@dmcc.com) on or before **August 28, 2024** in order to enable the Company to determine and deduct appropriate TDS/withholding tax rate. Incomplete and/or unsigned forms and declarations will not be considered by the Company.

Blank forms for tax exemptions are also made available on the website of the Company at [www.dmcc.com](http://www.dmcc.com) and the link for downloading is also provided below:

**Annexure A** - Form 15G

**Annexure B** - Form 15H

**Annexure C** - Self Declaration (Resident shareholder)

**Annexure D** - Self Declaration in relation to Investment Route

**Annexure E** - Self Declaration for non-availability of PAN (Non-resident shareholder)

**Annexure F** - Form 10F

**Annexure G** - Self declaration (Non-resident shareholder)

**Annexure H** - Declaration format under Section 37BA

Please note that all fields mentioned in the forms are mandatory and the Company will not be able to accept the forms submitted, if not filled correctly.

**These documents should reach us on or before August 28, 2024 in order to enable the Company to determine and deduct appropriate TDS/withholding tax rate. No communication on the tax determination/deduction shall be entertained after August 28, 2024.**

It may be further noted that in case tax on said dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/documents from you, there would still be an option available with you to claim the appropriate refund in the Return of Income filed with your respective Tax Authorities for the tax so deducted, if eligible. No claim shall lie against the Company for such taxes deducted.

Members who have registered their PAN with Depositories or Company's RTA or the Company, will be able to view the credit for TDS in Form 26AS, which can be downloaded from your income tax e-filing account at [www.incometax.gov.in](http://www.incometax.gov.in).

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Shareholder/s, such Shareholder/s will be responsible to indemnify the Company, and also provide the Company with all information/documents and co-operation in any assessment/apellate proceedings before the Tax/Government authorities.

#### V. Other General Information for the Members:

- a) For all self-attested documents, members must mention on the document "certified true copy of the original". For all documents being sent/accepted by email, the Member undertakes to send the original document/s on the request by the Company.
- b) TDS will be deducted based on the details of registered member only. Once TDS is deducted in the name of Registered of Members/Beneficial Owners as appearing on Record Date, no transfer of such TDS in the name of another person shall be entertained under any circumstances.
- c) Shareholders holding shares under multiple accounts under different status/category (eg. Resident and Non-Resident) and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.
- d) Application of TDS rate is subject to necessary due diligence and verification by the Company of the member details as available in register of members on the Record Date, documents, information available in public domain, etc. In case of ambiguous, incomplete or conflicting information, or the valid information/documents not being provided, the Company will arrange to deduct tax at the maximum applicable rate.





- e) In case TDS is deducted at a higher rate, an option is still available with the member to file the return of income and claim an appropriate refund, if eligible. Once deducted, no claim shall lie against the Company in relation to TDS.
- f) If dividend income is taxable in hands of any person other than the recipient of the dividend (e.g. Clearing member/corporations), then requisite details to be provided by way of a declaration under Rule 37BA(2) of the Income Tax Rules, 1962.
- g) Form 15G/Form 15H can be submitted only in case the shareholder's income tax payable on estimated total income for FY 2024-25 is NIL.
- h) Lower deduction Certificate u/s 197 of the Act may be obtained under TAN of the Company i.e., MUUMT09306D.
- i) Members may note that all documents to be submitted are required to be self-attested (the documents should be signed by shareholder/authorized signatory stating the document to be "certified true copy of the original"). In case of ambiguous, incomplete or conflicting information, or valid information/documents not being provided, tax at maximum applicable rate will be deducted.
- j) In case of any discrepancy in documents submitted by the member, the Company will deduct tax at higher rate as applicable, without any further communication in this regard.
- k) In the event of a mismatch in category of shareholder (individual, Company, trust, partnership, local authority, Government, Association of Persons etc.) as per register of members and as per fourth letter of PAN (10-digit alpha-numeric number), the Company would consider fourth letter of PAN for determining the category of shareholders and the applicable tax rate/surcharge/education cess.
- l) Shareholders may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt, or insufficiency of the aforementioned details/documents from you, an option is available to you to file the return of income as per the Act and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.
- m) In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.
- n) In case you hold shares under multiple accounts under different status/category but under a single PAN, the highest rate of tax as applicable to the status in which shares held under the said PAN will be considered on the entire holding in different accounts.
- o) For deduction of tax at source, the Company would be relying on the above data shared by RTA as updated up to the record date.
- p) Shareholders, whose valid PAN is updated, will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in/iec/foportal/>. The Company shall not be liable to entertain any request from such shareholder and the requisite steps will have to be taken by the shareholder at his/her end only. The shareholders are required to ensure that instructions mentioned herein are duly adhered to, failing which the Company would not be able to entertain any requests for allowing any exception, whatsoever.

**DISCLAIMER:** The information set out herein above is included for general information purposes only and does not constitute legal or tax advice. Since the tax consequences are dependent on facts and circumstances of each case, the investors are advised to consult their own tax consultant with respect to specific tax implications arising out of receipt of dividend.

For **DMCC Speciality Chemicals Limited**  
(Formerly known as The Dharamsi Morarji Chemical Company Limited)

**Bimal Lalitsingh Goculdas**  
Managing Director & CEO  
DIN: 00422783

**Registered Office:**  
Prospect Chambers, 317/321,  
Dr. Dadabhoy Naoroji Road, Fort,  
Mumbai-400 001.  
CIN: L24110MH1919PLC000564  
Website: [www.dmcc.com](http://www.dmcc.com)  
E-mail ID: [investor@dmcc.com](mailto:investor@dmcc.com)

# Directors' Report

Dear Members,

The Directors are pleased to present the Company's One Hundred and Third (103<sup>rd</sup>) Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2024.

## Financial Performance

₹ in lakhs (Except EPS)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Sales Turnover	32,791.99	38,651.60	32,795.17	38,665.09
Other Income	1,029.35	279.67	1,044.35	293.66
<b>Total Income</b>	<b>33,821.34</b>	<b>38,931.27</b>	<b>33,839.52</b>	<b>38,958.75</b>
EBITDA including other Income	4,666.71	3,866.40	4,672.04	3,878.12
Less: Depreciation & Amortization	1,568.83	1,758.17	1,571.26	1,760.58
Less: Finance Cost	1,375.73	1,058.02	1,375.74	1,058.02
<b>Profit Before Tax (PBT)</b>	<b>1,722.15</b>	<b>1,050.21</b>	<b>1,725.04</b>	<b>1,059.52</b>
Less: Current Tax/Deferred tax	565.07	364.54	566.14	366.46
<b>Profit After Tax</b>	<b>1,157.08</b>	<b>685.67</b>	<b>1,158.90</b>	<b>693.06</b>
<b>Total Comprehensive Income</b>	<b>1,125.82</b>	<b>705.79</b>	<b>1,128.08</b>	<b>712.41</b>
Balance brought forward from last year	15,118.06	14,681.79	15,146.20	14,702.54
Dividend Paid	-	(249.4)	-	(249.4)
Balance Carried to Balance Sheet	16,275.14	15,118.06	16,305.10	15,146.20
<b>Basic &amp; Diluted EPS (In ₹)</b>	<b>4.64</b>	<b>2.75</b>	<b>4.65</b>	<b>2.78</b>

## Financial Summary

On a Consolidated basis, the revenue from operations stood to ₹ 32,795.17 lakhs for FY 23-24 as against ₹ 38,665.09 lakhs in the previous year, and on a Standalone basis, the revenue from operations stood to ₹ 32,791.99 lakhs as against ₹ 38,651.60 lakhs in the previous year, this was mainly due to reduction of speciality chemical business and low price realisation in bulk chemicals.

On a Consolidated basis, EBITDA has improved to ₹ 4,672.04 lakhs in FY 23-24 as against ₹ 3,878.12 lakhs in the previous year and the profit before tax stood at ₹ 1,725.04 lakhs in FY 23-24 as compared to the profit of ₹ 1,059.52 lakhs in the previous year.

Other Income includes ₹ 844.28 lakhs (previous year ₹ 98.67 lakhs) on account of sale of investment in unquoted equity shares.

In conclusion, despite the difficult operating environment such as aggressive production by China, de-stocking globally, geopolitical crises, slowdown in Europe, and the decline in agrochemical business, the Company has continued to maintain stable performance.

The financial and operational performance overview and outlook is provided in detail in the Management Discussion and Analysis forming part of this Annual Report.

## Dividend

Your Directors are pleased to recommend a Final Dividend of ₹ 1/- per equity share of the face value of ₹ 10/- each for the year ended March 31, 2024. The Dividend, subject to the approval of members at the ensuing Annual General Meeting, will be paid within the time period stipulated under the Companies Act, 2013 (subject to deduction of Tax at source).

## Dividend Distribution Policy

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board of Directors of your Company has adopted Dividend Distribution Policy. The Dividend Distribution Policy is also uploaded on the website of the Company and web-link for the same is [https://www.dmcc.com/Media/pdf/DMCC\\_Dividend-Distribution-Policy.pdf](https://www.dmcc.com/Media/pdf/DMCC_Dividend-Distribution-Policy.pdf).

## Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profits for FY 2023-24 in the profit and loss account.

## Capital Structure

During the year there were no changes in the Share Capital. The Company's Share Capital structure as on March 31, 2024 is as follows:

Particulars	No. of Shares	Amount (In ₹)
<b>A. Authorised Share Capital</b>		
Equity Shares of ₹ 10/- each	4,00,00,000	40,00,00,000
Preference Shares of ₹ 100/- each	20,00,000	20,00,00,000
<b>Total (A)</b>	<b>4,20,00,000</b>	<b>60,00,00,000</b>
<b>B. Issued, Subscribed and Paid-up Share Capital</b>		
Equity Shares of ₹ 10/- each	2,49,39,933	24,93,99,330
Preference Shares of ₹ 100/- each	Nil	Nil
<b>Total (B)</b>	<b>2,49,39,933</b>	<b>24,93,99,330</b>

During the year, the Company has neither issued shares with differential voting rights nor granted any stock options or issued any sweat equity or bonus shares. Further, the Company has not bought back any of its securities during the year under review and hence no details/information invited in this respect.

### Board Meetings

The Board met four (4) times during the financial year 2023-24 on May 17, 2023, August 09, 2023, November 08, 2023 and February 09, 2024. The maximum time gap between any two board meetings was not more than 120 days as per Regulation 17 of the Listing Regulations, Section 173 of the Companies Act, 2013 and Secretarial Standard on Meetings of the Board of Directors.

### Audit Committee

The details pertaining to the composition of the audit committee are included in the Corporate Governance Report, which forms part of this report.

### Subsidiary Company

DMCC (Europe) GmbH (Formerly Borax Morarji (Europe) GmbH) is a 100% wholly owned subsidiary Company in Germany. Primarily it owns registrations for your Company's products as per REACH regulations. This is a requirement for sales into the European Union.

A statement containing the salient features of the financial statement of the Company's wholly-owned subsidiary under the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 has been annexed in the prescribed form AOC-1 as "Annexure V".

Further, pursuant to the provisions of Section 136 of the Act, the standalone and consolidated financial statements of the Company and the financial statements of the subsidiary, are available on the website of the Company at [www.dmcc.com](http://www.dmcc.com).

The Company does not have any Associate or Joint Venture Companies. Further, the Company's policy on determining the material subsidiaries, as approved by the Board is uploaded on the Company's website at [https://www.dmcc.com/Media/pdf/DMCC\\_Policy\\_Determining-Material-Subsidiaries.pdf](https://www.dmcc.com/Media/pdf/DMCC_Policy_Determining-Material-Subsidiaries.pdf).

### Consolidation of Accounts

In pursuance of the mandatory compliance with the Indian Accounting Standards (Ind AS), as issued by the Ministry of Corporate Affairs, the Company has presented consolidated

financial statements for the year under report, consolidating its accounts with the accounts of its wholly owned subsidiary viz. DMCC (Europe) GmbH (Formerly Borax Morarji (Europe) GmbH). A separate report of the Statutory Auditors on the consolidated financial statements also forms part of the same.

### Indian Accounting Standards

The financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act. There has been no material change which have occurred between end of the financial year 2023-24 and the date of this report.

### Auditors Report

The Auditors Report on the audited standalone and consolidated financial statements for the year ended March 31, 2024 forms an integral part of this Annual Report. The Auditors Report does not contain any qualifications, reservations, adverse remarks and disclaimer. Notes to the financial statements are self-explanatory and do not call for any further comments. The Statutory Auditors of the Company have not reported any fraud under Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment for the time being in force).

### Policy on Director's Appointment and Remuneration and other details

#### a) Procedure for Nomination and Appointment of Directors

The Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and other employees has been formulated in terms of the provisions of the Companies Act, 2013 ("the Act") and Listing Regulations with a view to pay equitable and commensurate remuneration to the Directors, Key Managerial Personnel and other employees of the Company, based on the qualification, experience and industry standard.

On the recommendation of the Nomination and Remuneration Committee ("NRC"), the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other

employees pursuant to the applicable provisions of the Act and the Listing Regulations. The remuneration determined for Executive/Non-Executive Directors including Independent Directors is subject to the recommendation of the NRC and approval of the Board of Directors. The Non-Executive Directors are compensated by way of profit-sharing commission and the criteria being their attendance and contribution at the Board/Committee Meetings. The Executive Directors are not paid sitting fees; however, the Non-Executive Directors are entitled to sitting fees for attending the Board/Committee Meetings.

The Company has in place a policy for succession of Board and Senior Management and a Policy on Board Diversity, adopted by the Board on the recommendation of NRC.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees are in accordance with the Remuneration Policy of the Company. The policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided under Section 178(3) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations is available on the Company's website at [https://www.dmcc.com/Media/pdf/DMCC\\_Policy\\_Remuneration.pdf](https://www.dmcc.com/Media/pdf/DMCC_Policy_Remuneration.pdf).

#### b) Familiarization/Orientation program for Independent Directors

The Independent Directors attend a Familiarization/Orientation Program on being inducted into the Board. Further, various other programmes are conducted for the benefit of Independent Directors to provide periodical updates on regulatory front, industry developments and any other significant matters of importance. The details of familiarization program are provided in the Corporate Governance Report and is also available on the Company's website. The Company issues a formal letter of appointment to the Independent Directors, outlining their role, function, duties and responsibilities, the format of which is available on the Company's website at [https://www.dmcc.com/media/pdf/Independent-Director-Appt-Letter-Annexure-Draft\\_DMCC.pdf](https://www.dmcc.com/media/pdf/Independent-Director-Appt-Letter-Annexure-Draft_DMCC.pdf).

### Directors and Key Managerial Personnel

As on March 31, 2024, the Board of Directors comprised of eight (8) members including two (2) women members of which one is an Independent Board Member. The Board has an appropriate mix of Executive Directors ('EDs'), Non-Executive Directors ('NEDs'), and Independent Directors ('IDs'), which is compliant with the Companies Act, 2013, the Listing Regulations and is also aligned with the best practices of Corporate Governance.

#### a) Changes at the Board and Key Managerial Personnel

During the year under review, there were following changes at the Board and Key Managerial Personnel:

- i. Shri Bimal Lalitsingh Goculdas (DIN: 00422783), Managing Director and Chief Executive Officer of the Company, was re-appointed for a period of three (3) consecutive years w.e.f. April 01, 2023 to March 31, 2026.

- ii. Continuation of directorship of Shri Madhu Thakorlal Ankleshwaria (DIN: 02753794), Independent Director of the Company upto the expiry of his 2<sup>nd</sup> term i.e. September 16, 2024, as he attains the age of 75 years on August 23, 2024.
- iii. Shri Sunil Kumar Goyal was appointed as the Chief Finance Officer of the Company by the Board in terms of Section 203 of the Companies Act 2013, w.e.f. May 18, 2023.

The aforesaid appointments were made by the Board pursuant to the recommendation of NRC and the appointment of Shri Bimal Lalitsingh Goculdas and Shri Madhu Thakorlal Ankleshwaria were duly approved by the members of the Company by way of Postal Ballot on June 23, 2023, and at the 102<sup>nd</sup> Annual General Meeting held on September 12, 2023, respectively.

Further, the Board of Directors at their meeting held on May 23, 2024, made the following appointments as Directors of the Company which are subject to the approval of members:

- i. Shri Haren Devidas Parekh (DIN: 00004883) is appointed as an Additional Director designated as a Non-Executive Independent Director for the first term of five (5) consecutive years w.e.f. May 23, 2024.
- ii. Shri Kuldeep Kumar Tiwari (DIN: 10633725) is appointed as an Additional Director (Whole-Time Director) designated as an "Executive Director (Operations)" for a period of three (3) consecutive years w.e.f. May 24, 2024.

#### b) Director liable to retire by rotation and offers himself for reappointment

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Shri Laxmikumar Narottam Goculdas (DIN: 00459347) Non-Executive Chairman of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for the re-appointment. The Board recommends his re-appointment. As per the Secretarial Standard - 2 and the Listing Regulations, a brief profile and other related information of Shri Laxmikumar Narottam Goculdas (DIN: 00459347) Non-Executive Chairman, retiring by rotation forms part of the Notice of ensuing Annual General Meeting.

As of March 31, 2024, Shri Bimal Lalitsingh Goculdas, Managing Director and Chief Executive Officer, Shri Dilip Trimbak Gokhale, Executive Director, Shri Sunil Kumar Goyal, Chief Finance Officer and Shri Omkar Chandrakant Mhamunkar, Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company in terms of Section 203 of the Companies Act, 2013.

Further, Shri Dilip Trimbak Gokhale, Executive Director and Key Managerial Personnel (DIN: 06734397) has completed his term on May 21, 2024. Upon completion of his term, he also ceased to be a Director of the Company.

Shri Dilip Trimbak Gokhale has been working with the Company for over 35+ years and before his appointment as the Executive Director, he was designated as Sr. Executive



Vice President & Company Secretary of the Company. Shri Gokhale has been handling various diversified activities and matters of the Company since long, like Secretarial, Legal, Corporate Governance, HR & Administration, Insurance, Banking and Internal Audit etc. Shri Gokhale is a Commerce and law graduate and fellow member of the Institute of Company Secretaries of India. He is also member of All India Management Association holding a Post Graduation Diploma in Management from the said institute. He is also a certified associate of the Indian Institute of Bankers, Mumbai, and is an Ex-Banker.

Keeping in view the above, and considering the experience and expertise of Shri Dilip Trimbak Gokhale, on the recommendation of the NRC, the Board decided to continue the association with him as a Senior Management Personnel and appointed Shri Dilip Trimbak Gokhale, as a Senior Management Personnel of the Company designated as Sr. Executive Vice-President for a period of three (3) consecutive years w.e.f. May 23, 2024 to May 22, 2027.

### Committees of the Board

As on March 31, 2024 the Company has Six (6) Committees of the Board i.e. Audit Committee ('AC'), Risk Management Committee ('RMC'), Nomination and Remuneration Committee ('NRC'), Stakeholders' Relationship Committee ('SRC'), Corporate Social Responsibility Committee ('CSR') and Independent Directors Committee ('IDC'). The composition of the above committees, as of March 31, 2024, is disclosed in the Corporate Governance Report forming part of the Annual Report.

### Declaration by Independent Directors

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence. During the year under review, the Non-Executive Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee(s) of the Company. In the opinion of the Board, all Independent Directors are independent of the management.

Pursuant to Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 as amended, all Independent Directors of the Company viz. Shri Sanjeev V. Joshi, Shri Madhu T. Ankleshwaria, Shri Mukul M. Taly and Dr. (Mrs.) Janaki A. Patwardhan have registered themselves in the Independent Directors databank maintained with the Indian Institute of Corporate Affairs (IICA). Further, in the opinion of the Board of Directors of the Company, all Independent Directors possess high integrity, expertise and experience including the proficiency required to discharge the duties and responsibilities as directors of the Company.

### Board Evaluation

Pursuant to the applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, the

performance of the individual directors, and the working of its committees, based on the evaluation criteria defined by the NRC for the performance evaluation process of the board, its committees and individual director.

Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as the composition of committees, effectiveness of Committee meetings, etc. The performance of the Board, committees and individual directors was found satisfactory.

During the year under review, a separate meeting of Independent Directors of the Company was held on February 08, 2024 in person, wherein all Independent Directors were present. At the said meeting, Independent Directors discussed and evaluated the performance of the Non-Executive Chairman, Non-Executive Vice Chairperson, Managing Director, and Chief Executive Officer and Executive Director, the Board and its various committees as a whole and also assessed the quality, quantity, and timeliness of the flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform its duties.

### Board Diversity

The Board of Directors enables efficient functioning through differences in perspective and skill, and fosters differentiated thought processes at the back of varied industrial and management expertise, gender, knowledge and geographical backgrounds. The Board recognises the importance of a diverse composition and has adopted a Board Diversity Policy which sets out its approach to diversity. The policy is available on the website of the Company at [https://www.dmcc.com/Media/pdf/Board-Diversity-Policy\\_DMCC.pdf](https://www.dmcc.com/Media/pdf/Board-Diversity-Policy_DMCC.pdf).

### Related Party Transactions

All related party transactions that were entered during the financial year under review, were in the ordinary course of business and on an arm's length basis and were carried out with prior approval of the Audit Committee. All related party transactions that were approved by the Audit Committee were periodically reported to the Audit Committee. Prior approval of the Audit Committee was obtained periodically for the transactions which were planned and/or repetitive in nature and omnibus approvals were also taken as per the policy.

There are no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The related party transactions entered into by the Company are disclosed in Note No. 40 of the Notes to Accounts. No transactions were entered into by the Company that required disclosure in Form AOC-2. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at [https://www.dmcc.com/Media/pdf/Related-Party-Transactions-Policy\\_DMCC.pdf](https://www.dmcc.com/Media/pdf/Related-Party-Transactions-Policy_DMCC.pdf).

## Risk Management

The Company has adopted a Risk Management Policy in accordance with the provisions of the Companies Act, 2013 and Regulation 21 of the Listing Regulations which reflects the overall risk management philosophy, the Company's overall approach to risk management, risk assessment, risk mitigation mechanism and the role and responsibilities for risk management. The Company has also laid down procedures to inform the Audit Committee and the Board about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management control risks by means of a properly defined framework. The monthly review meetings of all the functional/departmental heads inter alia discuss the relative risk management issues.

The Company has constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in (a) approving the Company's Risk Management Framework and (b) Overseeing all the risks that the organization faces such as strategic, financial, liquidity, security, regulatory, legal, reputational and other risks that have been identified and assessed to ensure that there is a sound Risk Management Policy in place to address such concerns/risks. The Risk Management process covers risk identification, assessment, analysis and mitigation. The details pertaining to composition of Risk Management Committee are included in the Corporate Governance Report, which forms part of this report. The Risk Management Committee meetings are held twice in a year.

The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

## Internal Control Systems and their adequacy

Pursuant to Section 134 of the Companies Act, 2013, your Company has in place an adequate system of internal controls to ensure compliance with various policies, practices and statutes. It has procedures covering all financial and operating functions and processes. These have been designed to provide a reasonable assurance with regard to maintaining proper accounting controls for ensuring the reliability of financial reporting, monitoring of operations and compliances.

The Audit Committee meets the Internal Auditors and Statutory Auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the Board of Directors informed of their major observations periodically. The Audit Committee is of the opinion that as on March 31, 2024, the internal financial controls were adequate and operating effectively.

## Prohibition of Insider Trading

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulation 2015 and to preserve the confidentiality and prevent misuse of unpublished price-sensitive information, the Company has adopted a Code of conduct to Regulate, Monitor and Report Trading by Designated Persons and their Relatives ('Insider Trading Code') and code of Practices and Procedures for Fair Disclosure of unpublished Price Sensitive Information ('Code of Fair Disclosure').

The Insider Trading Code is intended to prevent misuse of unpublished price sensitive information by insiders and

connected persons and ensure that the Directors and specified persons of the Company and their dependents shall not derive any benefit or assist others to derive any benefit from access to and possession of price sensitive information about the Company which is not in the public domain, that is to say, insider information.

The Code of Fair Disclosure ensures that the affairs of the Company are managed in a fair, transparent and ethical manner keeping in view the need and interest of all the stakeholders.

## Environment Health and Safety (EHS)

Your Company has in place Environment Health and Safety (EHS) policy. Your Company has various EHS management processes and methodologies being deployed and implemented under the EHS to ensure that the employees become more safety conscious. The Company has a system of in-house EHS training for employees and workmen at the factory as also the practice of sending the employees/workmen to various external EHS programmes. The EHS management process at both the locations viz. Roha and Dahej are administered by qualified professionals.

## Credit Ratings

During the year under review, CRISIL Ratings Limited (CRISIL) has reaffirmed the Long-Term Rating of CRISIL BBB+/Stable for the Total Bank facilities of ₹ 105.00 crores and also CRISIL BBB+/Stable for the Company's Fixed Deposit (FD) Programme of ₹ 20.00 crores. During the year the limit of Fixed Deposit (FD) Programme of the Company was enhanced from ₹ 10.00 crores to ₹ 20.00 crores.

## Certification and Awards

**a) Responsible Care®:** Responsible Care® is a global voluntary initiative of the Chemical Industry, the objective of which is continuous improvement in the areas of environmental protection, health, safety and security.

The Company has a Responsible Care Policy. It is the endeavour of your Company that our products—both raw material and finished goods pose no risk to employees, society and environment as well. This is sought to be achieved by minimizing the negative influence of our products along the entire supply chain, right from procurement, storage and manufacturing right up to sale.

Your Company is pleased to inform you that both the plants of the Company are now registered under Responsible Care®. Your Company is one of the few in India authorized to use the Responsible care® logo. This has been achieved after extensive site and systems components, third-party mentoring, and a series of audits. The existing validity of authorisation to use Responsible Care® Logo is renewed for further period of Three Years i.e. from April 2022 to March 2025.

**b) In-house R & D Unit Registration:** Your Company has its own, modern and well-equipped Research and Development Laboratory located at its factory at Roha. This in-house R&D Laboratory is a recognised Research Institution by the Department of Science and Technology, Department of Scientific and Industrial Research (DSIR), Government of India, New Delhi.



- c) **Together For Sustainability®:** The TFS Audit was carried out under the stipulations made by a Group of EU based major Pharmaceutical companies. This will enable and has enabled the Company for obtaining expeditious approval for the products sold/to be sold in the European market.
- d) **ISO Certification:** Both plants of the Company, situated at Roha, Dist. Raigad in the state of Maharashtra and Dahej, Dist. Bharuch in the state of Gujarat enjoy ISO 9001:2015 Certification.
- e) **REACH:** REACH regulation is adopted by the European Union to improve protection of human health and the environment from the risks that can be posed by Chemicals. REACH stands for Registration, Evaluation, and Authorisation of all Chemical Substances. DMCC (Europe) GmbH (Formerly Borax Morarji (Europe) GmbH) has registered several products under the REACH Regulations and your Company continues to take advantage of this registration.
- f) **Certificate of Merit from the National Safety Council:** Your Company is awarded with "Certificate of Merit" under ("Chemical and Fertiliser Category") by the National Safety Council - Maharashtra Chapter for achieving "Zero Accident Frequency Rate" for the year 2020 for its Manufacturing Facility at Roha, Maharashtra.
- g) **Certificate of Merit from CHEMEXIL:** Your Company is awarded with "Certificate of Merit" for the Outstanding Export performance in FY 2017-18. The Award was presented by Smt. Anupriya Patel, Hon'ble Union Minister of State for Commerce and Industry, Govt. of India at 47<sup>th</sup> Export Awards ceremony of CHEMEXCIL held on April 15, 2023 at Mumbai.
- h) **Award from FICCI for Efficiency in Water Usage:** Your Company was accredited with FICCI Chemicals & Petrochemical award 2022. The award is a recognition for Efficiency in Water Usage in Chemicals.

## Auditors

### a) Statutory Auditors:

In accordance with the provisions of Section 139 of the Companies Act, 2013, M/s. Rahul Gautam Divan & Associates, Chartered Accountants (ICAI Firm Registration No. 120294W) were re-appointed as the Statutory Auditors of your Company at the 101<sup>st</sup> Annual General Meeting for a term of 5 years, to hold office from that meeting till the conclusion of 106<sup>th</sup> Annual General Meeting to be held in 2027. As per the provisions of Section 139 of the Act, they have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Auditors Report on the financial statements of the Company for the financial year ended March 31, 2024 is unmodified i.e. it does not contain any qualification, reservation or adverse remark. The Auditors Report is enclosed with the financial statements forming part of the annual report.

M/s. Rahul Gautam Divan & Associates is a member of Intercontinental Grouping of Accountants and Lawyers, a worldwide association of professional services firms,

offering high quality accounting, auditing, legal and consultancy services. The combined experience of the partners in the chartered accountancy profession within the firm is over 42 years. Rahul Gautam Divan & Associates have associated offices in Ahmedabad, with resident partners at the associated office. Rahul Gautam Divan & Associates have been involved in the Statutory Audits and also Internal Audits of various companies, and have the wide experience to conduct the statutory audit of the Company.

### b) Internal Auditors:

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 and other applicable provisions if any of the Companies Act, 2013, the Board of Directors based on the recommendation of the Audit Committee has re-appointed Messrs Mahajan & Aibara Chartered Accountants LLP, a reputed firm of Chartered Accountants as Internal Auditors of the Company for a period of three years commencing from April 01, 2022 to March 31, 2025. The Internal Auditors, Mahajan & Aibara, Chartered Accountants LLP, Mumbai have conducted internal audits periodically and submitted their reports to the Audit Committee. Their Reports have been reviewed by the Audit Committee from time to time.

### c) Cost Auditors:

The Cost Records of the Company are maintained in accordance with the provisions of Section 148(1) of the Companies Act, 2013. The Cost Audit Report, for the financial year ended March 31, 2023, was filed with the Central Government within the prescribed time. The Board, on the recommendation of the Audit Committee, had appointed Shri S.S. Dongare, Practising Cost Accountants as the Cost Auditors to conduct the audit of the Company's cost records for the financial year ended March 31, 2025.

The Cost Auditors have confirmed that their appointment is within the limits of Section 141(3) (g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Companies Act, 2013. The Audit Committee has also received a certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company.

The Cost Auditors will submit their report for the financial year ended March 31, 2024, on or before the due date. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, since the remuneration payable to the Cost Auditor for the financial year ended March 31, 2025, is required to be ratified by the members, the Board recommends the same for approval by members at the ensuing Annual General Meeting.

### d) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules thereunder, Shri Satish Kumar Jain, Proprietor of SKJ & Associates, Practising Company Secretaries (FCS 6398/PCS 6632) were appointed to conduct the secretarial audit of the Company for the financial year 2023-24.

## Secretarial Audit Report

The Secretarial Audit Report for the FY 2023-24 as submitted by the Secretarial Auditors in Form MR-3 is annexed to this Report as **"Annexure III"** and form part of this report. There are no qualifications, reservations or adverse remarks made by Secretarial Auditors in their Report.

## Compliance Monitoring

Your Company has set up a Compliance Management System (CMS) for effectively monitoring and ensuring compliances of all legal provisions applicable to the Company.

## Managerial Remuneration and Particulars of Employees

The particulars of employees as required under Section 197 of the Companies Act, 2013 read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended for the financial year ended March 31, 2024 have been furnished and are provided in **"Annexure IV"** to this Report. Further disclosure required under Para IV of Section II of Part II of Schedule V of the Companies Act, 2013 is provided in the Corporate Governance Report.

In terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. The said information is available for inspection by the members at the Registered Office of the Company on any working day of the Company up to the date of the 103<sup>rd</sup> Annual General Meeting.

As of now the Company is not required to transfer any Un-claimed/Unpaid Dividend to the Investor Education and Protection Fund established by the Central Government.

The dividend for the following years if remaining unclaimed for seven years, will be liable to be transferred by the Company to IEPF according to the schedule given below. Shareholders who have not so far encashed their dividend warrant or have not received the same are requested to seek issue of duplicate warrant by writing to Link Intime India Private Limited confirming non-encashment/non-receipt of dividend warrant.

Financial Year	Date of Declaration	Date of Transfer to IEPF
2017-18	26-09-2018	24-10-2025
2018-19 Interim	07-12-2018	04-01-2026
2018-19 Special Final Dividend	20-09-2019	18-10-2026
2020-21 Interim	14-09-2020	13-10-2027
2020-21 Second Interim	08-02-2021	08-03-2028
2020-21 Final Dividend	22-09-2021	20-10-2028
2021-22 Final Dividend	14-09-2022	12-10-2029
Fractional Entitlements	31-12-2018	28-01-2026

The details of Unclaimed Dividends by Shareholders are also made available on the website of the Company and at <https://www.dmcc.com/investor/investor-information/dividends> and are updated at periodic intervals.

## Insurance

The Company has taken adequate Insurance to cover the risks to its employees, property (land and buildings), plant, equipment, other assets and third parties.

## Public Deposits

During the year, your Company has accepted fresh deposits of an amount of ₹ 53.25 lakhs and as on March 31, 2024 fixed deposit aggregating to ₹ 957.25 lakhs are outstanding. There are no fixed deposits remaining unpaid or unclaimed as at the end of the year. Further, no amount of principal or interest was outstanding or in default as on March 31, 2024.

Post-Merger of Borax Morarji Limited (BML) with your Company, the balance amount of unclaimed matured deposit of erstwhile BML, as on March 31, 2023 was ₹ 0.10 lakhs. During the year 2023-24, the Company has transferred the said ₹ 0.10 lakhs to IEPF and thus, as on March 31, 2024 there are no deposits amounts lying unclaimed with the Company.

## Unpaid/Unclaimed Dividend

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all dividends which remains unpaid or unclaimed for a period of seven years from the date of their transfer to the unpaid dividend account are required to be transferred by the Company to the Investor Education and Protection Fund ('IEPF'), established by the Central Government. Further, as per IEPF Rules, the shares on which dividend has not been paid or claimed by the members for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. Further, as per Rule 6(8) of IEPF Rules, all benefits such as bonus shares, split, consolidation except right issue, accruing on shares which are transferred to IEPF, shall also be credited to the demat account of the IEPF authority.





## Particulars of Loans, Guarantees, or Investments

During the year under review, your Company has neither given loan to any bodies corporates or any other persons nor provided any corporate guarantee or security under Section 186 of the Companies Act, 2013. The Company has given advance against salary to some employees in terms of the applicable policies of the Company. Particulars of investments and disclosure required under Section 186(4) of the Companies Act, 2013 are provided in the notes to the financial statements. The said investment was within the limits specified under Section 186 of the Companies Act, 2013.

## Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost auditors and secretarial auditors, including audit of internal financial controls, over the financial reporting by the statutory auditors and the reviews performed by the Management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year ended March 31, 2024.

Accordingly, to the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(5) of the Companies Act, 2013:

- a) that in the preparation of the Annual Accounts for the year ended March 31, 2024, the applicable Accounting Standards have been followed and that there are no material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024, and of the profit of the Company for the year ended on that date;
- c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts have been prepared on a going concern basis;
- e) that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that 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.

## Management's Discussion and Analysis

Pursuant to Regulation 34 of the SEBI Listing Regulations, the Management Discussion and Analysis Report for the year, is presented in a separate Section, forming part of the Annual Report.

## Corporate Governance

Pursuant to Regulation 34 of the Listing Regulations a separate Section titled Report on Corporate Governance is included in this Annual Report and the certificate of the statutory auditors of the Company certifying compliance with the conditions of corporate governance as stipulated under relevant Regulations of the Listing Regulations is obtained and annexed with the report on Corporate Governance.

## Business Responsibility Sustainability Report

In terms of Regulation 34(2)(f) of the Listing Regulations and SEBI vide its General Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, detailed information on the initiatives taken by the Company from an environmental, social and governance perspective is provided in the Business Responsibility Sustainability Report and included in this Annual Report.

## Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules 2014 is annexed as "Annexure I" and forms part of this Report.

## Whistle Blower Policy/Vigil Mechanism

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors' and employees and other stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees, who avail of the mechanism and provides to employees' direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the Website of the Company at [https://www.dmcc.com/Media/pdf/Whistle-Blower-Vigil-Mechanism\\_DMCC.pdf](https://www.dmcc.com/Media/pdf/Whistle-Blower-Vigil-Mechanism_DMCC.pdf).

## Corporate Social Responsibility (CSR)

The Company has a Policy on Corporate Social Responsibility and the same has been posted on the website of the Company at [https://www.dmcc.com/Media/pdf/CSR-Policy\\_DMCC.pdf](https://www.dmcc.com/Media/pdf/CSR-Policy_DMCC.pdf) The Annual Report on CSR activities in terms of the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014 and salient features of CSR policy is annexed as "Annexure II" which forms part of this Report.

## Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace

Your Company always endeavours and provide conducive work environment that is free from discrimination and harassment including sexual harassment. Your Company has zero tolerance towards sexual harassment at workplace and has adopted a policy for prevention of Sexual Harassment of Women at workplace and the same is posted on the Website of the Company at [https://www.dmcc.com/Media/pdf/Prevention-of-Sexual-Harrasement-Policy\\_DMCC.pdf](https://www.dmcc.com/Media/pdf/Prevention-of-Sexual-Harrasement-Policy_DMCC.pdf). The Company has set up an Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition

and Redressal) Act, 2013 to look into complaints relating to sexual harassment at workplace of any woman employee. During the year under review, no complaints pertaining to sexual harassment were received and no complaint was pending as on March 31, 2024.

### Annual Return

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the copy of the Annual Return for FY 2023-24 is uploaded on the website of the Company

and the same is available at the website of the Company at <https://www.dmcc.com/investor/statutory-information/annual-returns>.

### Compliance with the Secretarial Standard

The relevant Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) related to the Board Meetings and General Meeting have been complied with by the Company.

### Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34 read with Schedule V of Listing Regulations, the details of the shares in the Dematerialization Suspense Account/Unclaimed Suspense Account for FY 2023-24 are as follows:

Description	Unclaimed Suspense Account		Unclaimed Suspense Demat Account		Suspense Escrow Demat Account	
	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares
a. aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	Nil	Nil	174	18,009	2	12
b. number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	Nil	Nil	2	-	1	-
c. number of shareholders to whom shares were transferred from suspense account during the year;	Nil	Nil	2	-	1	-
d. aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	780	34,862*	172	17,809	1	7

\* As on date, the said shares has been dematerialised and transferred to the Company's Unclaimed Suspense Demat Account.

The members are requested to note that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. The Details of Unclaimed Shares are available under the Investor Section on the website of the Company at <https://www.dmcc.com/investor/investor-information/unclaimed-shares>.

### General Disclosure

#### During the year under review:

- The Company has not made any provisions of money or has not provided any loan to the employees of the Company for the purchase of shares of the Company, pursuant to the provisions of Section 67 of Companies Act, 2013 and Rules made thereunder.
- There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.
- There are no applications made or any proceeding pending against the Company under Insolvency and Bankruptcy Code, 2016 and there are no instances of one-time settlement.

- There are no significant material changes and commitments 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.

During the year under review, there was no change in the nature of business of the Company.

### Dispatch of Annual Report through electronic mode

In compliance with the provisions of MCA vide its circular no. 09/2023 dated September 25, 2023, and SEBI vide its circular dated October 07, 2023 has dispensed with the printing and dispatch of hard copies of annual reports to shareholders. Hence, the Annual Report 2023-24 is being sent only through



electronic mode to those Members whose email IDs are available with the Depositories/RTA. The Annual Report 2023-24 is available on the Company's website at [www.dmcc.com](http://www.dmcc.com).

We also request all the investors whose email id(s) are not registered to take necessary steps to register their email id with the Depository Participant/Registrar and Share Transfer Agent.

### Green Initiatives

We request all the shareholders to support the 'Green Initiative' of the Ministry of Corporate Affairs and the Company's continuance towards greener environment by enabling the service of the Annual Report, AGM Notice and other documents electronically to your email address

#### Registered Office

Prospect Chambers,  
317/321, Dr. Dadabhoy Naoroji Road, Fort,  
Mumbai 400001.

**Place:** Mumbai

**Date:** May 23, 2024

registered with your Depository Participant/Registrar and Share Transfer Agent.

### Acknowledgements

The Board of Directors of your Company is pleased to acknowledge with gratitude the cooperation and continued support extended by shareholders, customers, suppliers, and contractors, various departments of Central and State Governments and Banks. The relations between the employees and the management continue to be cordial. Your Directors place on record their appreciation of the sincere and devoted efforts of the employees at all levels and their continued co-operation and commitment.

For and on behalf of the Board

**Laxmikumar Narottam Goculdas**

Chairman

DIN: 00459347

# Annexure I to the Directors' Report

## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars required under Section 134 of the Companies Act, 2013 including rules framed there under:

### (A) Conservation of Energy:

**i. The steps taken or impact on conservation of energy:** The Company continues measures to reduce energy consumption at its plants and offices by improving energy-intensive manufacturing processes.

**ii. The steps taken by the Company for utilizing alternate sources of energy:**

**1) Energy Conservation:**

**a) Waste Heat Recovery System:** The Company continues to explore the resources and possibilities to operate in a more sustainable manner.

At the Roha plant, the Company has discontinued the existing 0.5 MW Turbine Generator (TG) w.e.f. July 2023 and put into operation 1.6 MW Turbine Generator (TG) w.e.f. August 2023 with this capacity the, Company generates approximately 25000 Units per day.

Further, the Company continues to generate approx. 36000 units per day at Dahej Plant with its 2.0 MW Turbine Generator (TG), which reduced dependency on the grid power (thermal) electricity and saved Approx. 28.25 lakhs (KWH) Units which contributed to the substantial reduction of coal-based power, thereby reducing carbon emissions.

**b) Solar Panel:** The Company has installed a Solar Panel (Capacity 335 KW) at Roha, which saves approx. 700 Units per day during the rainy season and about 1400 to 1500 Units per day during the summer season.

**c) Coal Elimination:** The Company has discontinued the use of Coal Fired Boiler on the commissioning of the Sulphuric Acid Plant at Dahej, whereby a reduced consumption of coal by 37.22% and thereby reduction in carbon footprint compared to the previous year has been achieved.

**d) FO/Diesel Elimination:** Under the Clean Environment Initiative, the Company has planned to substitute furnace oil with LPG. During the year the Company has achieved a reduction in the use of furnace oil by 74% and diesel by 24.80% as compared to the previous year.

**e) Supply of Steam to neighbouring units:**

i. At Roha the Company is supplying steam to neighbouring industry @ 140/MT per day thereby helping them to reduce carbon emission.

ii. At Dahej the Company is supplying steam to neighbouring industries @ 160 MT per day thereby helping them to reduce carbon emission.

**2) Water Conservation:**

**a) Rainwater Harvesting:** The Company has built Reservoir Pond at Roha with a capacity of approx. 1000m<sup>3</sup> which reduces the requirement of fresh water to about 50 m<sup>3</sup> to 60m<sup>3</sup> per day from MIDC during the rainy season.

**b) Effluent Water Recycling:** With effluent water recycling in cooling towers, the Company saves about 120m<sup>3</sup> of fresh water per day from MIDC by using new technology.

**c) STP Unit:** At Roha Plant the Company has a Sewage Treatment Plant (STP) with a capacity of 20m<sup>3</sup> of water per day. The treated water in STP is used for gardening and other permitted uses. At Dahej Plant the Company has a Sewage Treatment Plant (STP) with a capacity of 20m<sup>3</sup> of water per day, treated water in STP is used for gardening, hence it saves freshwater consumption.

**d) Zero Liquid Discharge (ZLD) Target:** Both plants of the Company are aiming for ZLD. Further Company has planned to implement ZLD at Roha during the year 2024-25.

**e) RO Unit:**

i. **RO Unit No. 1:** The Company has installed an RO plant with a capacity of 65m<sup>3</sup> water per day. The effluent generated in our process is treated in ETP followed by RO plant. The permeate of RO plant is used in our cooling tower and hence saving of fresh MIDC water approx. 50m<sup>3</sup> per day.

ii. **RO Unit No. 2:** The Company has installed a new RO Plant in ETP of capacity 50m<sup>3</sup> per day in March 2024. The low COD and low TDS water from various sources are diverted to this

plant. The treated water of this RO plant is used in the cooling tower system and saving approx. 50m<sup>3</sup> fresh MIDC water per day.

- iii. **RO Unit No. 3:** The Company has installed 200m<sup>3</sup> per day RO Plant in ETP at Dahej. The effluent generated in the process is treated in ETP followed by RO. Presently effluent generation in the process is around 100m<sup>3</sup> and recovered around 80% permeate water used for cooling towers. Rejected 20m<sup>3</sup> sent to CETP and saving approx. 100m<sup>3</sup> GIDC freshwater per day.

iii. **The capital investment on energy conservation equipment:**

- a) **Two Sewage Treatment Plant (STP) at Roha with a capacity of 10m<sup>3</sup> per day:** ₹ 18.00 lakhs  
b) **Turbine Generator for 1.6 MW at Roha:** ₹ 13.00 crores  
c) **Installation of RO Unit No. 2 of capacity of 50m<sup>3</sup> per day:** ₹ 30.00 lakhs

**Conservation of Energy Power and Fuel Consumption**

Particulars	FY 2023-24	FY 2022-23
<b>Electricity Purchased</b>		
- Units (lakhs in KWH)	↓ 100.01	128.26
- Total Amount (₹ in lakhs)	972.56	1,225.75
- Rate/Unit (₹/KWH)	9.72	9.56
<b>Furnace Oil-Consumed</b>		
- Quantity (MT)	↓ 39.84	153.50
- Total Amount (₹ lakhs)	20.9	77.08
- Average Rate (₹/MT)	52,460	50,215
<b>Diesel-Consumed</b>		
- Quantity (K. Litre)	↓ 52.43	69.72
- Total Amount (₹ lakhs)	49.13	67.42
- Average Rate (₹/KL)	93.71	96.01
<b>LPG-Consumed</b>		
- Quantity (KG)	74,800	97,817
- Total Amount (₹ lakhs)	55.48	86.04
- Average Rate (₹/KG)	74.17	87.96
<b>Coal</b>		
- Quantity (MT)	↓ 273.86	436.25
- Total Amount (₹ lakhs)	21.01	51.97
- Average Rate (₹/MT)	7,671.80	11,912.34
<b>PNG</b>		
- Quantity (SCM)	97,768	1,36,770
- Total Amount (₹ lakhs)	71.48	104.83
- Average Rate (₹/SCM)	73.11	76.65
<b>Consumption per Tonne of Major Products Electricity (Unit - KWH)</b>		
- Sulphuric Acid 100%	38	38

**(B) Technology Absorption**

i. **The efforts made towards technology absorption:**

The Company has an R & D Centre which is approved by the Department of Scientific and Industrial Research, Govt. of India, New Delhi at its Roha Plant. Further a new R & D and QC Lab is being set up at Dahej Plant.

Areas in which R & D activity was carried out includes:

- Process and cost optimization of existing Speciality Chemicals so as to be competitive in the domestic and international market.

- Development of the processes for making value added products to cater to the need of local and export market.

- Launching new products and for troubleshooting of existing products.

The Company has an on - going process of Research & Development and the Company continues its efforts to assimilate in house technology for introducing new products and

improving product quality. The management is focused on introduction of high-end technology within the country and abroad.

ii. **The benefits derived like product improvement, cost reduction, product development or import substitution:** Increased production capacity, cost reduction, improvement in quantity and flexibility to meet market demands, and reduction of carbon emission.

iii. **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

(a) the details of technology imported:

(b) the year of import:

(c) whether the technology been fully absorbed:

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof:

} Not Applicable

iv. **The expenditure incurred on Research and Development:**

Particulars	(₹ in lakhs)	
	FY 2023-24	FY 2022-23
(i) Capital	-	-
(ii) Recurring	108.93	125.91
(iii) Total	108.93	125.91
(iv) Total R and D expenditure as a percentage of sales turnover	0.34%	0.33%

**Benefits derived as a result of the above R & D:**

- Quality and yield improvement of the existing products.
- Manufacture and supply of some of the products as per the customer's specifications.

**Future plan of action:**

- Studies on the development of new products and formulations with special emphasis on value addition.
- Focus on sulphonation and allied Chemistry to develop new processes.
- Focus on Boron chemistry and allied products to develop new processes and expand the existing plant.

**(C) Foreign Exchange Earnings and Outgo**

The particulars of foreign exchange earned/utilized are as under:

Particulars	(₹ in lakhs)	
	FY 2023-24	FY 2022-23
<b>Earnings In Foreign Exchange:</b>		
Export of goods calculated on an FOB basis	8,575.15	11,522.78
<b>Total Foreign Exchange earned</b>	<b>8,575.15</b>	<b>11,522.78</b>
<b>Outgo In Foreign Exchange:</b>		
(1) Value of imports calculated on a CIF basis on Raw Materials	497.83	1,645.96
(2) Expenditure in foreign currency	478.96	114.24
<b>Total Foreign Exchange outgo</b>	<b>976.78</b>	<b>1,760.20</b>

**Registered Office**

Prospect Chambers,  
317/321, Dr. Dadabhoy Naoroji Road, Fort,  
Mumbai 400001.

For and on behalf of the Board

**Place:** Mumbai  
**Date:** May 23, 2024

**Laxmikumar Narottam Goculdas**  
Chairman  
DIN: 00459347

# Annexure II to the Directors' Report

## Annual Report on CSR Activities (FY 2023-2024)

### 1. Brief outline on the CSR Policy of the Company:

At DMCC Speciality Chemicals Limited (Formerly known as "The Dharamsi Morarji Chemical Company Limited") ("DMCC"), CSR has been led by a principled approach by governing itself in an ethical, accountable, sustainable, and transparent manner. The Company caters to projects that have a focus towards inclusive growth and sustained progress. DMCC has the tradition of supporting social & educational causes ever since the beginning, well before the concept of CSR came in the Companies Act, 2013. DMCC has been giving financial support/donations to various Educational,

Environmental, Bio-Diversity, Social & Socio-economic projects/organisations at around vicinity of its sites as well as to other identified project locations across the nation.

The CSR Policy has been formulated in accordance with Section 135 of the Companies Act, 2013 ("Act") and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("Rules") as amended which outlines about objectives, the constitution of CSR Committee, roles and responsibilities of the committee, implementation, monitoring and guiding principles etc.

### 2. Composition of the CSR committee:

The composition and the functions of the Company's Corporate Social Responsibility (CSR) Committee is as under:

#### The Company has formed a CSR Committee comprising of the following Directors:

Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Ms. Mitika Laxmikumar Goculdas (Chairperson)	Non-Executive, Non-Independent, Promoter Director	1	1
Shri Madhu Thakorlal Ankleshwaria	Non-Executive, Independent	1	1
Shri Mukul Manoharlal Taly	Non-Executive, Independent	1	1
Shri Sanjeev Vishwanath Joshi	Non-Executive, Independent	1	1

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

The composition of the CSR committee is available on the Company's website at <https://www.dmcc.com>.

CSR policy - [https://www.dmcc.com/Media/pdf/CSR-Policy\\_DMCC.pdf](https://www.dmcc.com/Media/pdf/CSR-Policy_DMCC.pdf).

The project approved by the Board for FY 2023-24 is available on the website of the Company at [www.dmcc.com](http://www.dmcc.com).

### 4. Provide the executive summary along with web-link(s) of the Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

**Not Applicable.** The Company at present is not required to carry out an impact assessment in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

### 5.

(a) Average net profit of the Company as per Section 135(5):	₹ 2,766.57 lakhs
(b) Two percent of average net profit of the Company as per sub-section (5) of Section 135:	₹ 55.33 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:	₹ 1.42 lakhs
(e) Total CSR obligation for the financial year [(b) + (c) - (d)]:	₹ 53.91 lakhs

### 6.

(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):	₹ 56.05 lakhs
(b) Amount spent in Administrative Overheads:	Nil
(c) Amount spent on Impact Assessment, if applicable:	Not Applicable
(d) Total amount spent for the Financial Year [(a) + (b) + (c)]:	₹ 56.05 lakhs

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

Total Amount Spent for the Financial Year (in ₹ lakhs)	Amount Unspent (₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
56.05	Nil	Not Applicable	Not Applicable	Nil	Not Applicable

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

Sr. No.	Particular	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the Company as per Section 135(5)	55.33
(ii)	Total amount spent for the Financial Year	56.05
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.72
(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)]	0.72

### 7. Details of Unspent CSR amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sr. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub Section (6) of Section 135 (₹ in lakhs)	Balance Amount in Unspent CSR Account under sub Section (6) of Section 135 (in ₹)	Amount spent in the reporting Financial Year (₹ in lakhs)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any		Amount remaining to be spent in succeeding financial years (₹ in lakhs)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
Not Applicable								

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

If Yes, enter the number of Capital assets created/acquired: Not Applicable

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

1	2	3	4	5	6		
Sr. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/Beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

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

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

Place: Mumbai  
Date: May 23, 2024

Sd/-  
**Mitika L. Goculdas**  
Vice Chairperson of the Board and  
Chairperson of CSR Committee  
DIN: 02879174

Sd/-  
**Bimal Lalitsingh Goculdas**  
Managing Director & CEO  
DIN: 00422783



# Annexure III to the Directors' Report

Form No. Mr-3

## SECRETARIAL AUDIT REPORT

(For the Financial Year ended March 31, 2024)

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

To  
The Members,  
**DMCC SPECIALITY CHEMICALS LIMITED**  
(Formerly known as The Dharamsi Morarji Chemical Company Limited)  
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DMCC SPECIALITY CHEMICALS LIMITED** (Formerly known as The Dharamsi Morarji Chemical Company Limited) (CIN: L24110MH1919PLC000564) having its registered office at Prospect Chambers 317/21 D N Road Fort, Mumbai-400001 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time:
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable as the Company has not issued any further capital under the regulations during the period under review);
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable as the Company does not have ESOP Scheme/shares);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable as the Company has not issued & listed Debt Securities);
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable as the Company has not delisted/proposed to delist its equity shares from stock exchange during the financial year under review); and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable as the Company has not bought back/proposed to buyback any of its securities during the financial year under review);
6. Based on the representation made by the management of the Company, the following laws are specifically applicable to the Company:
  1. The Petroleum Act, 1934;
  2. The Fertilizer (Control) order 1985;
  3. The Arms Act, 2016;
  4. The Chemical Weapon Convention Act 2000;

5. The Environment Protection Act, 1986;
6. The Indian Boilers Act, 1923 & The Indian Boilers Regulations 1950;
7. The Public Liability Insurance Act 1991;
8. The Air (Prevention and Control of Pollution) Act 1981;
9. The Water (Prevention and Control of Pollution) Act 1974.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- ii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above except to the observation that the Company has paid remuneration to the Executive Director and Non-Executive Director over and above the limits specified under Section 197 and 198 of the Companies Act, 2013 and the rules framed thereunder read with Schedule V. As per the explanations provided to us, the

Company is in the process of complying with the prescribed statutory requirements to regularize such excess payment including seeking approval of the shareholders, as necessary.

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

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

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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

There are no other specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines etc., having a major bearing on the Company's Affairs.

For **SKJ & Associates**  
Company Secretaries

**Satish Kumar Jain**  
Proprietor  
(FCS: 6398/PCS:6632)  
UDIN: F006398F000434276

**Place:** Mumbai  
**Date:** May 23, 2024

This report is to be read with our letter of even date which is annexed herewith and forms an integral part of this report.

**Annexure****To The Secretarial Audit Report**

To,  
The Members,  
**DMCC SPECIALITY CHEMICALS LIMITED**  
(Formerly known as The Dharamsi Moraji Chemical Company Limited)  
Prospect Chambers, 317/21, D.N. Road,  
Fort, Mumbai-400001.

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

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records, we believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company. We relied on the statutory report provided by the Statutory Auditor of the Company for the financial year ending March 31, 2024.
4. Wherever required we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit reports neither an assurance as to the future liability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **SKJ & Associates**  
Company Secretaries

**Satish Kumar Jain**  
Proprietor  
(FCS: 6398/PCS:6632)  
UDIN: F006398F000434276

**Place:** Mumbai  
**Date:** May 23, 2024

# Annexure IV to the Directors' Report

## A. Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 and Rule 5(1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Finance Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sr. No.	Name of the Directors/KMP	Designation and Category	Remuneration of Directors/KMP for the year 2023-2024 (Amount in ₹)*	% Increase in Remuneration in the year 2023-2024	Ratio of Remuneration to Median Remuneration
1.	Shri Laxmikumar Narottam Goculdas	Chairman, Promoter, Non-Executive	4,83,867 <sup>#</sup>	-60.76%	1.31
2.	Ms. Mitika Laxmikumar Goculdas	Vice-Chairperson, Promoter, Non-Executive	1,93,546 <sup>#</sup>	-60.74%	0.52
3.	Shri Madhu Thakorlal Ankleshwaria	Non-Executive, Independent	1,93,546 <sup>#</sup>	-60.74%	0.52
4.	Shri Mukul Manoharlal Taly	Non-Executive, Independent	1,93,546 <sup>#</sup>	-60.74%	0.52
5.	Shri Sanjeev Vishwanath Joshi	Non-Executive, Independent	1,93,546 <sup>#</sup>	-60.74%	0.52
6.	Dr. (Mrs.) Janaki Ashwin Patwardhan	Non-Executive, Independent	1,93,546 <sup>#</sup>	-54.46%	0.52
7.	Shri Bimal Lalitsingh Goculdas	Executive Director, Promoter, Managing Director, and CEO	1,76,66,522 <sup>**</sup>	Nil	47.70
8.	Shri Dilip Trimbak Gokhale	Executive Director	54,41,453	6.30%	14.69
9.	Shri Sunil Kumar Goyal (w.e.f. May 18, 2023)	Chief Finance Officer	30,93,384	NA <sup>§</sup>	8.35
10.	Shri Omkar Chandrakant Mhamunkar	Company Secretary & Compliance Officer	19,57,920	21.80%	5.27

\* Sitting fees paid to Non-Executive Directors during the year is not considered as remuneration for ratio calculation purpose. There was no change in the amount of sitting fees for Board or Committee meeting attended by each Director.

<sup>#</sup> Refers to the commission to the Non-Executive Directors for the FY 2022-23, paid during the year 2023-24.

<sup>\*\*</sup> Includes Performance Linked Incentive for the financial year 2022-23 ₹ 14,51,602/- paid during the year 2023-24.

<sup>§</sup> Shri Sunil Kumar Goyal, Chief Finance Officer is appointed w.e.f. May 18, 2023, hence% of increase in remuneration is not applicable.

- The median remuneration of employees of the Company during the year was ₹ 3,70,347/-.
- The increase in the median remuneration of employees in the financial year: 2.07%
- There were 418 permanent employees on the rolls of the Company as at March 31, 2024.



**5. 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:**

Average percentage increase of the remuneration of the employees of the Company other than managerial personnel is 11.7%. Whereas average percentile increase in the managerial remuneration (excluding remuneration of Non-Executive Directors) is 7.02%. The increase in remuneration is determined based on the performance of the Company and individual performance. The increase in remuneration of employees other than the managerial personnel is in line with the increase in remuneration of managerial personnel.

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

**B. Particulars of Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

In terms of proviso to Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the aforesaid particulars shall be made available to any shareholder on a specific request made by him in writing before the date of such Annual General Meeting wherein financial statements for the financial year 2023-24 are proposed to be adopted by shareholders and such particulars shall be made available by the Company within three days from the date of receipt of such request from shareholders.

**C. Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate is in excess of that drawn by the Managing Director or Whole-Time Director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company:** None

# Annexure V to the Directors' Report

## Form AOC-1

(Pursuant to First Proviso to sub-section (3) of Section 129 Read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing Salient Features of the Financial Statement of Subsidiaries or Associate Companies or Joint Ventures.

### Part A: Subsidiary

(Information in respect of each Subsidiary to be presented with Amounts ₹ in lakhs)

Sr. No.	Particulars	Name of Subsidiary
		<b>DMCC (Europe) GmbH (Formerly Borax Morarji (Europe) GmbH)</b>
1.	The reporting period for the subsidiary concerned, if different from the holding Company's reporting period	January 01, 2023 to December 31, 2023
2.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	EURO (1 EURO = 89.38 INR)
3.	Share Capital	16.77
4.	Reserves & Surplus	32.25
5.	Total Assets	57.98
6.	Total Liabilities (Excluding Share Capital and Free Reserves)	8.95
7.	Investments	-
8.	Turnover	95.02
9.	Profit Before Taxation	4.04
10.	Provision For Taxation	(1.25)
11.	Profit After Taxation	2.79
12.	Proposed Dividend	-
13.	% of shareholding	100%

**Note:** The Company do not have any Associate Companies or Joint Ventures.

# Business Responsibility & Sustainability Reporting Format



## Section A: General Disclosures

### I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L24110MH1919PLC000564
2	Name of the Listed Entity	DMCC Speciality Chemicals Limited (Formerly known as "The Dharamsi Morarji Chemical Company Limited")
3	Year of incorporation	September 25, 1919
4	Registered office address	317/321, Dr. Dadabhoy Naoroji Road, Fort, Mumbai, Pin - 400 001
5	Corporate address	317/321, Dr. Dadabhoy Naoroji Road, Fort, Mumbai, Pin - 400 001
6	E-mail	<a href="mailto:investor@dmcc.com">investor@dmcc.com</a>
7	Telephone	022-22048881/22048882/22048883
8	Website	<a href="http://www.dmcc.com">www.dmcc.com</a>
9	Financial year for which reporting is being done	April 01, 2023, to March 31, 2024
10	Name of the Stock Exchange(s) where shares are listed	<b>BSE Limited (BSE), Scrip Code: 506405</b> <b>The National Stock Exchange of India Limited (NSE)</b> <b>NSE Symbol: DMCC</b>
11	Paid-up Capital	₹ 24,93,99,330/- (Equity Share Capital, 24939933 Nos. Equity Shares of ₹ 10/- each)
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Omkar Chandrakant Mhamunkar Company Secretary & Compliance Officer E-mail: <a href="mailto:omhamunkar@dmcc.com">omhamunkar@dmcc.com</a> / <a href="mailto:investor@dmcc.com">investor@dmcc.com</a> Tel: 022-22048882 (Ext: 104)
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone Basis
14	Name of assurance provider	Not Applicable
15	Type of assurance obtained	Not Applicable

### II. Products/services

#### 16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing (Main Activity Group Code)	Chemical and chemical products, pharmaceuticals, medicinal chemical and botanical products	100

#### 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Chemical	2029	100

### III. Operations

#### 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	1	3
International	Nil	1	1

## 19. Markets served by the entity:

### a. Number of locations:

Locations	Number
National (No. of States)	28
International (No. of Countries)	26

### b. What is the contribution of exports as a percentage of the total turnover of the entity?

The Company sells its products in India as well as exports to more than 25 countries across the globe. Its export turnover contributes to 27% of the total turnover of the Company in FY 2023-24.

### c. A brief on types of customers: The Company is a fully integrated Speciality Chemical Company that specializes in sulphur, boron and ethanol chemistry, exporting its products to markets worldwide. The Company deliver tailor-made solutions to its customers from across the globe. Its products find application in a variety of end-use industries, such as, pharmaceuticals, detergents, dyes, fertilizers, pigments and cosmetics.

## IV. Employees

### 20. Details as of the end of the Financial Year: March 31, 2024

#### a. Employees and Workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	193	173	89.64%	20	10.36%
2.	Other than Permanent (E)	31	27	87.10%	4	12.90%
<b>3.</b>	<b>Total employees (D + E)</b>	<b>224</b>	<b>200</b>	<b>89.29%</b>	<b>24</b>	<b>10.71%</b>
<b>WORKER</b>						
4.	Permanent (F)	225	225	100.00%	-	0.00%
5.	Other than Permanent (G)	209	199	95.22%	10	4.78%
<b>6.</b>	<b>Total Workers (F + G)</b>	<b>434</b>	<b>424</b>	<b>97.70%</b>	<b>10</b>	<b>2.30%</b>

#### b. Differently abled Employees and Workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	1	1	100%	-	-
2.	Other than Permanent (E)	-	-	-	-	-
<b>3.</b>	<b>Total employees (D + E)</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>-</b>	<b>-</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
<b>6.</b>	<b>Total differently abled Workers (F + G)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 21. Participation/Inclusion/Representation of Women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	2	25%
Key Management Personnel	3	Nil	Nil



## 22. Turnover rate for permanent employees and workers:

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	20.81	10.26	19.74	20.40	-	18.51	15.90	7.14	11.54
Permanent Workers	11.32	-	11.32	10.64	-	10.64	9.70	-	4.83

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### 23. (a) Names of holding/subsidiary/associate companies/joint ventures:

Sr. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/subsidiary/associate/joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	DMCC (Europe) GmbH (Formerly Borax Morarji Europe (GmbH) (Wholly Owned Subsidiary)	The subsidiary is separate entity and it follow Business Responsibility initiatives if applicable to it.	100%	The Company does not mandate its suppliers/distributors to participate in the Company's Business Responsibility initiatives. However, they are encouraged to adopt such practices and follow the concept of being a responsible business.

The Company do not have holding, associate or joint venture.

## VI. CSR Details

### 24. (i) Whether CSR is applicable as per Section 135 of the Companies Act, 2013: Yes

(ii) Turnover (in ₹): ₹ 320,55,35,975/- (Standalone)

(iii) Net worth (in ₹): ₹ 209,15,77,028/- (Standalone)

## VII. Transparency and Disclosures Compliances

### 25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark
Communities	Yes. The Company has adopted Stakeholder Engagement Policy to interact with community leaders to understand and address their concerns, if any.  The said policy is available on the website of the Company at <a href="https://www.dmcc.com/Media/pdf/Stakeholder-Engagement-Policy_DMCC.pdf">https://www.dmcc.com/Media/pdf/Stakeholder-Engagement-Policy_DMCC.pdf</a>	Nil	Nil	NA	Nil	Nil	NA
Investors (other than shareholders)	Yes. The Company has adopted Investor Grievance Redressal Policy. The said policy is available on the website of the Company at <a href="https://www.dmcc.com/Media/pdf/Investor-Grievance-Policy_DMCC.pdf">https://www.dmcc.com/Media/pdf/Investor-Grievance-Policy_DMCC.pdf</a> Also the Company has a dedicated e-mail id i.e. <a href="mailto:investor@dmcc.com">investor@dmcc.com</a> to understand and address their concerns, if any.	Nil	Nil	NA	Nil	Nil	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark
Shareholders	Yes. The Company has adopted Investor Grievance Redressal Policy. The said policy is available on the website of the Company at <a href="https://www.dmcc.com/Media/pdf/Investor-Grievance-Policy_DMCC.pdf">https://www.dmcc.com/Media/pdf/Investor-Grievance-Policy_DMCC.pdf</a> Also the Company has a dedicated e-mail id i.e. <a href="mailto:investor@dmcc.com">investor@dmcc.com</a> to understand and address their concerns, if any Also, Secretarial Department/ RTA address the grievance of the Shareholders. Also shareholders has option to report their grievance on SEBI Scores at <a href="https://scores.gov.in/scores/Welcome.html">https://scores.gov.in/scores/Welcome.html</a>	16	Nil	NA	5	Nil	NA
Employees and Workers	Yes, a mechanism is in place, HR and Admin department administer the complaint. Moreover, Company has Whistle Blower Policy <a href="https://www.dmcc.com/Media/pdf/Whistle-Blower-Vigil-Mechanism_DMCC.pdf">https://www.dmcc.com/Media/pdf/Whistle-Blower-Vigil-Mechanism_DMCC.pdf</a>	Nil	Nil	NA	Nil	Nil	NA
Customers	Yes, a mechanism in place. Sales & Marketing team interacts with customers to address their complaints and grievances.  Also Company has adopted Stakeholders Engagement Policy which is available on the website of the Company at <a href="https://www.dmcc.com/Media/pdf/Stakeholder-Engagement-Policy_DMCC.pdf">https://www.dmcc.com/Media/pdf/Stakeholder-Engagement-Policy_DMCC.pdf</a>	Nil	Nil	NA	Nil	Nil	NA
Value Chain Partners	Yes, a mechanism is in place to interact with Value Chain Partners to understand and address their concerns, if any.  Also Company has adopted Stakeholders Engagement Policy which is available on the website of the Company at <a href="https://www.dmcc.com/Media/pdf/Stakeholder-Engagement-Policy_DMCC.pdf">https://www.dmcc.com/Media/pdf/Stakeholder-Engagement-Policy_DMCC.pdf</a>	Nil	Nil	NA	Nil	Nil	NA
Other (including Contract Workers, Trainees)	Yes, a mechanism is in place. HR and Admin department overseas the same.  Also Company has adopted Stakeholders Engagement Policy which is available on the website of the Company at <a href="https://www.dmcc.com/Media/pdf/Stakeholder-Engagement-Policy_DMCC.pdf">https://www.dmcc.com/Media/pdf/Stakeholder-Engagement-Policy_DMCC.pdf</a>	Nil	Nil	NA	Nil	Nil	NA

## 26. Overview of the entity's material responsible business conduct issues:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Health, Safety and Environment	Risk	Possibility of Non following of safety measures by employees  Non-awareness of hazardous nature of chemicals	Strict adherence to BBS (behavior-based safety system)  Focus on reducing the generation of effluent and arresting at the source	Incidents impact employee morale and business reputation leading to negative financial implication
2.	Climate Change	Opportunity	DMCC's Commitment for reducing Carbon Emission offers edge over the others due to the DMCC's sustainably driven operations	-	Initiatives taken around climate change has a positive implication towards business
3.	Intellectual property	Risk	Leakage of confidential information  IP rights clashes can happen in collaborative research projects  IP infringement actions from outside firms	Data exchange with vendors/customer only through secured mode  Entering into NDA with parties for exchanging information  Antivirus upgradation	Impacts the brand reputation in the industry thereby leading to financial loss
4.	Innovation		Risk of better solutions that meet new requirements, technological advancements, upgradation or existing market needs and changing need of consumer	Process and cost optimization of existing speciality chemicals so as to be competitive in the domestic and international market  Development of the processes for making value added products to cater the need of local and export market  Launching new products and troubleshooting of existing products	Failure to meet consumer demand, technological obsolescence may lead losing of customer, market thereby leading to financial loss
5.	Sustained performance & quality	Risk	Risk of customer being lost, in course of business  Dissatisfaction amongst the customer due to lack of attention, focus, etc.	Enhance customer satisfaction  Providing superior quality solutions.  Taking regular feedback from customers  ISO Certification and Audit  Quality Control, Process Control	Impacts the brand reputation in the industry thereby leading to financial loss
6.	Compliance	Risk	Compliance Updates and Changes, Omission of Compliances	The Company has Compliance Management System which takes care of all compliances applicable to the Company	Impacts the brand reputation in the industry thereby leading to financial loss and possibly legal action
7.	Human Resource	Opportunity	Skilled employees and workers form an asset to the Company  The highly trained employees and worker perform their tasks more efficiently, in less time and with less chances of mistakes/injury	Providing a needs-based and innovative range of training courses  Attracting, developing and nurturing the right talent, ensuring professional development and personal well-being throughout their tenure with the Company  Providing programmes that are specifically designed for roles which require upgraded skills  Leadership Training	Consistent efforts would lead to positive impact due to improvement in productivity, reduction in defects, etc.

## Section B: Management and Process Disclosures

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

<b>P1</b>	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
<b>P2</b>	Businesses should provide goods and services in a manner that is sustainable and safe
<b>P3</b>	Businesses should respect and promote the well-being of all employees, including those in their value chains
<b>P4</b>	Businesses should respect the interests of and be responsive to all its stakeholders
<b>P5</b>	Businesses should respect and promote human rights
<b>P6</b>	Businesses should respect and make efforts to protect and restore the environment
<b>P7</b>	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
<b>P8</b>	Businesses should promote inclusive growth and equitable development
<b>P9</b>	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	The Corporate policies of the Company can be viewed at <a href="https://www.dmcc.com">www.dmcc.com</a> under weblink <a href="https://www.dmcc.com/investor/corporate-governance/policies-and-codes">https://www.dmcc.com/investor/corporate-governance/policies-and-codes</a> Some of the policies of the Company are accessible only to employees and other internal stakeholders								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	-	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	-	Y	Y
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g.SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	Y	-	-	-	Y	-	-	Y
	<ul style="list-style-type: none"> <li>Both of the Company's Plants are ISO 9001:2015 Certified and has received Responsible Care Certification.</li> </ul>								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	N	N	N	N	N	N	N	N	N
	<p>The Company is committed to progress towards various sustainability initiatives such as carbon neutrality, water positivity, zero plastic waste, soil conservation, protection of flora and fauna, education, social empowerment, women empowerment, healthcare etc. by way of adopting the reasonable and feasible changes in its existing operations as well as by through Corporate Social Responsibility initiatives. The aim of the Company broadly fits into the above nine (9) principles as well as United Nations Sustainable Development Goals.</p> <p>The Company is in process to define the measurable targets and commitments with the timelines for specific areas.</p>								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	Not Applicable								
	As detailed in Point No. 5 above, the Company is in process to defined the measurable targets and commitments. However, the Company continues to ensure effectiveness as well as improvement in its conduct to achieve the commitments as mentioned in above para.								



## Governance, leadership and oversight

Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) flexibility regarding ESG.

We are amongst the few Companies in India who are authorised to use Responsible Care Logo and we are also audited under the Together for Sustainability Mechanism which not only dealt with the Safety, Health and Environment, but also our impact on the societies and communities in which we operate. It has been a mission to make world class products that meets and exceed the requirements of our customer but always keeping in mind that our products should not harm the environment. Please refer message from Chairman, message from Managing Director and CEO and "Annexure I" to the Board's report for more information on sustainability initiatives.

8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Shri Bimal Lalitsingh Goculdas Managing Director and Chief Executive Officer
9.	Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability related issues? (Yes/No). If yes, provide details.	Shri Kuldeep Kumar Tiwari Executive Director (Operations)

### 10. Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee	Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Policies wherever stated have been approved by Board/Committees of Board/Senior Management of the Company. Polices and performance against policies are reviewed at periodic intervals in all aspects including statutory requirements depending on the frequency stated in respective policies or on need basis whichever is earlier and necessary updates are made to the policies									
Compliance with statutory requirements of relevance to the principles, and, rectification of any non- compliances	The Company has necessary procedures in place to ensure the compliance with all relevant regulations									
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.		P1	P2	P3	P4	P5	P6	P7	P8	P9
	No. However all policies and processes are subject to audits/ reviews done internally in the Company from time to time. The working of the policies is subjected to observations/ comments during the course of the normal functioning of the Company and partly during audits of Responsible Care, Together for Sustainability (TFS) and ISO									

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

All principles are covered by policies

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Not Applicable

All principles are covered by policies

## Section C: Principle Wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

### PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

#### Essential Indicators

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

	Total training and awareness	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	4	Please refer Note i below	100%
Key Managerial Personnel	4	POSH, CSR, Code of Conduct, PIT Regulations, Leadership	100%
Employees other than BoD and KMPs	81	POSH, PIT, Induction, Health & Safety	100%
Workers	90	POSH, Induction, Health & Safety	100%

#### Note:

- During the year 2023-24, various updates were made at the Board and Committee meetings. Independent Directors in their capacity as members of various Committees of the Board were informed on developments relating to various topics such as regulatory, economic and operating environmental changes, new business initiatives, Corporate Governance, Compliance, Sustainability Initiatives, Corporate Social Responsibility (CSR), Information Technology and Risk Management, Company strategy, performance and growth plans. Updates on performance review, strategy and key regulatory developments are presented at the quarterly board meetings. The Board and Audit Committee is updated on key compliance, risk and audit observations, impact arising out of the issues along with management action plans.
  - For Employees including Key Managerial Personnel are required to annually confirm that they have read and understood the Code of Conduct. The Company has HRMS i.e. Human Resource Management System in place and the policies have been uploaded which is accessible to the employees. All new employees are also required to confirm that they have read and understood the Code at the time of their induction. In addition, the Company has instituted several policies to ensure adherence to existing statutory laws and regulations such as the Prevention of Sexual Harassment (POSH) at the Workplace, Whistle Blower Policy, Code of Conduct, Policy for Prevention of Insider Trading.
2. Details of fines/penalties/punishment/paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	P1	CGST & C. Excise	₹ 1,70,529.00	Order under Section 73(1) of the CGST Act 2017. Penalty Levied on Demand Notice confirmed by department for excess use of ITC as compared to GSTR-2A	No
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil



Non-Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
	Imprisonment	Nil	Nil	Nil	Nil
	Punishment	Nil	Nil	Nil	Nil

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

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
NA	NA

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

Yes. The Company has adopted Fair Business Policy which covers the same. The policies are made available on the website of the Company at [www.dmcc.com](http://www.dmcc.com) under <https://www.dmcc.com/investor/corporate-governance/policies-and-codes>

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

	FY 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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

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

Particulars	FY 2023-24	FY 2022-23
Number of days of accounts payables*	118	121

\*Trade payable includes bills payable discounted through bill discounting facility.

9. Open-ness of business:

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

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as% of total purchases	73%	68%
	b. Number of trading houses where purchases are made from	51	32
	c. Purchases from top 10 trading houses as% of total purchases from trading houses	61%	54%

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Sales	a. Sales to dealers/distributors as% of total sales	22%	22%
	b. Number of dealers/distributors to whom sales are made	72	60
	c. Sales to top 10 dealers/distributors as% of total sales to dealers/distributors	12%	13%
Share of RPTs	a. Purchases (Purchases with related parties/Total Purchases)	Nil	Nil
	b. Sales (Sales to related parties/Total Sales)	0.3%	0.1%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties/Total Investments made)	Nil	Nil

### Leadership Indicators

- 1) **Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes. Every Director is required to adhere with the Code of Conduct applicable to the Board and Senior Management. Every Director of the Company discloses his/her concern or interest in the Company or companies or bodies corporate, firms or other association of individuals and any change therein, annually or upon any change, which includes the shareholding. Further, a declaration is also taken annually from the Directors regarding affirmation of Code of Conduct.

In the meetings of the Board/Committees, the Directors abstain from participating in the items in which they are concerned or interested. For identifying and tracking conflict of interests involving the Directors/KMPs of the Company, the Legal and Secretarial function maintains a database of the Directors and the entities in which they are interested. This list is shared with the Finance & Accounts function which flags off the parties in their system for monitoring and tracking transaction(s) entered by the Company with such parties. The Code of Conduct is available on the website at [https://www.dmcc.com/Media/pdf/Code-of-Conduct-for-Directors-and-Senior-Management\\_DMCC.pdf](https://www.dmcc.com/Media/pdf/Code-of-Conduct-for-Directors-and-Senior-Management_DMCC.pdf)

### PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

#### Essential Indicators

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

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R & D	100%	100%	All R & D expenditure are focused at sustainable technology and development
Capex	Nil	Nil	NA

- 2.
- a. **Does the entity have procedures in place for sustainable sourcing? Yes**
- b. **If yes, what percentage of inputs were sourced sustainably?**

The Company has adopted Supplier Code of Conduct which applies to Vendors, Suppliers, Service Providers, Agents, Consultants, Contractors, Joint-venture partners and Third parties including their employees, agents and other representatives. The Company is gradually taking initiatives w.r.t. sustainable sourcing. The Company is taking Annual affirmation from the suppliers alongwith the questionnaire forms filled stating that they have adhered with the Supplier Code of Conduct. The Company in phased manner would plan an assessment of suppliers regarding the Compliance with the Supplier Code of Conduct after assessing the reasonability and practicability and incorporating such process commensurate with the size and structure of the Company. The Supplier Code of Conduct covers aspects such as Compliance with applicable laws, Anti Bribery and Anti Corrupt practices, Conflict of Interest, Protection of Intellectual Property Rights and Proprietary Information, Health and safety, Environment, Waste and Emission. For more details, please refer to our website: [https://www.dmcc.com/Media/pdf/Supplier-Code-of-Conduct\\_DMCC.pdf](https://www.dmcc.com/Media/pdf/Supplier-Code-of-Conduct_DMCC.pdf)

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste:**

We have waste management systems in place at all our facilities. Plastic waste is either co-processed or recycled based upon the type of waste generated. We disposed our e-wastes as per in country/local regulations. Hazardous wastes are being disposed as per the Hazardous Wastes Management Rules. The other wastes are disposed as per the local regulatory bodies and the regulations.



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

No. However, the Company has obtained registration under the Plastic Waste Management Rules, 2016 under Brand Owner category since the Company uses plastic Packaging for some of its products.

#### Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
Not Applicable					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same: Not Applicable

Name of Product/Service	Description of the risk/concern	Action Taken
NA	NA	NA
NA	NA	NA

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry):

Not applicable. We are a Speciality Chemicals Company and we cannot use recycled or reused input materials in the manufacturing process due to the nature of products.

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
NA	NA	NA
NA	NA	NA

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format: Not Applicable

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste	NA	NA	NA	NA	NA	NA

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category: Not Applicable

Indicate product category	Reclaimed products and their packaging materials as% of total products sold in respective category
NA	NA

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains****Essential Indicators**

1.

**a. Details of measures for the well-being of Employees:**

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
Male	173	173	100%	173	100%	-	-	-	-	-	-
Female	20	20	100%	20	100%	20	100%	-	-	-	-
<b>Total</b>	<b>193</b>	<b>193</b>	<b>100%</b>	<b>193</b>	<b>100%</b>	<b>20</b>	<b>10.36%</b>	-	-	-	-
<b>Other than Permanent Employees</b>											
Male	27	27	100%	27	100%	-	-	-	-	-	-
Female	4	4	100%	4	100%	-	-	-	-	-	-
<b>Total</b>	<b>31</b>	<b>31</b>	<b>100%</b>	<b>31</b>	<b>100%</b>	-	-	-	-	-	-

**b. Details of measures for the well-being of Workers:**

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
Male	225	225	100%	225	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>225</b>	<b>225</b>	<b>100%</b>	<b>225</b>	<b>100%</b>	-	-	-	-	-	-
<b>Other than Permanent Employees</b>											
Male	209	23	11%	209	100%	-	-	-	-	-	-
Female	10	-	-	10	100%	-	-	-	-	-	-
<b>Total</b>	<b>219</b>	<b>23</b>	<b>11%</b>	<b>219</b>	<b>100%</b>	-	-	-	-	-	-

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

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a% of total revenue of the Company	0.85%	0.71%

**2. Details of retirement benefits, for Current financial year and previous financial year:**

	FY 2023-24			FY 2022-23		
	No. of employees covered as a% of total employees	No. of workers covered as a% of total workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a% of total employees	No. of workers covered as a% of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	93.26%	100%	Yes	92.71%	99.50%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	18.65%	20%	Yes	21.35%	17.59%	Yes
Others - NPS	3.10%	Nil	Yes	8.85%	Nil	Yes

**3. Accessibility of workplaces:**

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

The premises/offices of the Company, including the registered and corporate offices are located either on the ground floor or have elevators and infrastructure for differently abled individuals.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy? Yes. [https://www.dmcc.com/Media/pdf/Equal-Opportunity-Policy\\_DMCC.pdf](https://www.dmcc.com/Media/pdf/Equal-Opportunity-Policy_DMCC.pdf)

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	100%	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

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

Yes/No (If Yes, then give details of the mechanism in brief)	
Permanent Workers	Yes. Please see note below.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

The Company has in place Grievance Mechanism at all location. The Human Resource Department of concerned location deals with all grievances of employees. The Company has also set up grievance committee as per the applicable laws. For Women, Company has POSH Policy in place and the aggrieved women can approach Internal Complaints Committee (ICC) of the Company, the details of which are displayed at all location at conspicuous place.

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

Category	FY 2023-24			FY 2022-23		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	-	-	-	-	-	-
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-
<b>Total Permanent workers</b>	<b>225</b>	<b>128</b>	<b>56.89%</b>	<b>199</b>	<b>124</b>	<b>62.31%</b>
- Male	225	128	56.89%	199	124	62.31%
- Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	Total (A)	FY 2023-24				Total (D)	FY 2022-23			
		On Health and safety measures		On Skill upgradation			On Health and safety measures		On Skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
<b>Employees</b>										
Male	173	130	75.14%	162	93.64%	173	108	62.43%	151	87.28%
Female	20	14	70%	15	75%	19	11	57.89%	19	100.00%
<b>Total</b>	<b>193</b>	<b>144</b>	<b>74.61%</b>	<b>177</b>	<b>91.7%</b>	<b>192</b>	<b>119</b>	<b>61.98%</b>	<b>170</b>	<b>88.54%</b>
<b>Workers</b>										
Male	225	180	80%	180	80%	199	162	81.41%	168	84%
Female	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>225</b>	<b>180</b>	<b>80%</b>	<b>180</b>	<b>80%</b>	<b>199</b>	<b>162</b>	<b>81.41%</b>	<b>168</b>	<b>84%</b>

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	Number (B)	% (B/A)	Total (C)	Number (D)	% (D/C)
<b>Employees</b>						
Male	173	119	68.7%	173	134	77.46%
Female	20	15	75%	19	16	84.21%
<b>Total</b>	<b>193</b>	<b>134</b>	<b>69.4%</b>	<b>192</b>	<b>150</b>	<b>78.13%</b>
<b>Workers</b>						
Male	225	186	82.67%	199	65	32.66%
Female	-	-	-	-	-	-
<b>Total</b>	<b>225</b>	<b>186</b>	<b>82.67%</b>	<b>199</b>	<b>65</b>	<b>32.66%</b>

## 10. Health and safety management system:

## a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

Yes. The Safety & Health Management system covers activities across all manufacturing locations, offices, research laboratories and supply chain partners and ensuring the protection of environment and health & safety of its employees, contractors, visitors and relevant stakeholders.

## b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Yes. The Company has a process for Risk Management which is essential for preventing incidents, injuries, occupational disease, emergency control & prevention and business continuity. Considering the hazards associated with operations and hazardous chemicals used, sites have deployed structured Hazard Assessment. The process also considers roles and responsibilities, monitoring control measures, competency training and awareness of individuals associated with such activities.

The Company has in place the following processes to identify work-related hazards and assess risks on a routine and non-routine basis such as Plant Safety Inspection, HIRA (Hazard Identification & RISK Assessment), HAZOP (Hazard Operability) Study, Safety Round observations on a daily basis, Near-miss reporting, Management of change process, Contractor Safety Management, Pre Start-up Safety Review (PSSR), Fire Detection Protection Management and Gas leak detection Management.

For all activities including routine or non-routine permit systems is implemented and hazards are identified by the Safety Officer and risk assessment and management are done through Job Safety Analysis (JSA)/Standard Operating Procedure (SOP) which is referred to before starting any activity.

On a day-to-day basis unsafe conditions and hazards are also identified by employees and reported to Safety Officer. Storing and handling of toxic chemicals are identified as the major process hazards at the site for which the Company has carried out HAZOP study and periodical internal audit.

## c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, we encourage our employees and workers to report near-miss incidents identified if any to the Safety Officer of the concerned site. DMCC has established the following processes for workers to report the work-related hazards.

Safety committee meeting is conducted every month which includes equal representative of workers & staff. The points raised in a meeting is discussed for its compliance.

Near miss reporting registers are available in all plants for reporting near miss for workers & its review meeting is conducted for its status of compliance.

HIRA (Hazard Identification & RISK Assessment) is being conducted for each & every activity of process in which hazards are identified & are complied.

## d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, employees are covered under health insurance scheme/ESI scheme (as per applicability). Also the Company has access to non-occupational medical and healthcare services either onsite and through ties up with reputed medical entities in close proximity. In addition, persons are trained in first aid with reputed first aid training centres.

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

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.15	-
	Workers	1.12	-
Total recordable work-related injuries	Employees	-	1
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

\*Including in the contract workforce.

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

At DMCC, safety is our first priority. We continuously strive to create a work environment that is free from any occupational hazards. Hazard identification, Risk Assessment and Management is done in accordance with HAZOP Study and Job Safety Analysis (JSA) Procedure. Safety Committees are in place to review the adequacy of resources for safety and to provide support for safety management. Routine walk through Plant round is done by Safety Officer. Periodic Review of Safety Management System is carried out by the Safety Officer. Fire detection system and fire hydrant system including sprinklers system are in place and gas leak detectors with hooters are installed at storage tanks. Also scrubbers are provided for all the process to prevent gaseous emission.

Further, Plant Safety Inspection of all process/work place is carried out regularly. Deployment of safe and healthy system of work is assured through periodic safety audits. Medical examination of all employees including contractors is carried out to monitor their health status and Training programs related to health are conducted by factory Medical officer for employees and Workers.

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

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

## 14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% by Statutory Authority and Third Party Audit such as Responsible Care Audit
Working Conditions	100% by Statutory Authority and Third Party Audit such as Responsible Care Audit

Both the plants of DMCC are certified under "Responsible Care" Compliance with safe working conditions as an essential aspect of EHS management systems. In addition, all DMCC's plants undergo internal plant safety inspection.

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

All the safety related incidents are displayed on LED screen on the same day of incident. The root cause analysis of incident is being done with involvement of management staff & workers. Accordingly, incident investigation is being done by taking corrective measures & preventive measures, its target dates & status of compliance.

Significant risk arising from assessments of health & safety practices and working conditions are addressed through elimination of manual job by use of technology, monitoring, supervision etc.

## Leadership Indicators

- Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N): YES
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners: The Company monitors remittance of statutory dues by value chain partners as part of processing their bills on a regular basis with periodic audits.

3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	NA	NA	NA	NA
Workers	NA	NA	NA	NA

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Subject to requirements, the Company provides opportunities for engagement on specific projects/assignments across the organization.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practices	In all of our dealings, the Company expects its value chain partners to uphold the same values, beliefs, and business ethics as the Company. However no formal examination of value chain partners has been conducted.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners: Not Applicable

#### PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

##### Essential Indicators

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

The Company has identified internal and external group of stakeholders, which includes employees, workers, shareholders, customers, communities, suppliers, regulators, lenders, research analysts, and non-governmental organizations, amongst others.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Annual General Meeting, shareholder meets, email, Stock Exchange intimations, investor presentation/ analysts investor meet/conference calls, annual report, quarterly results, press release, Company's website, Stock Exchange's website	Ongoing	Keeping Shareholders updated about the Company's business, Answering their queries, understanding shareholders expectation
Employees and Workers	No	Senior leaders' communication, Setting up KRA, KPI, performance appraisal meetings/review, exit interviews, union meetings, welfare initiatives, email, circulars, websites, HRMS Presentation, Trainings etc.	Ongoing	To create an effective communication channel and inform employees on key developments within the Company; align them to the shared purposes of the Company. Taking employee feedback, suggestions, and ideas.



Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Customer meets, mailers, brochures, social media, website and feedback.	Ongoing	To ensure good customer relationships. Business Development, Customer Satisfaction and Retention. Understanding customer expectation.
Research Analysts	No	Website, social media, Email, Earnings Call (Conference Call) and other forums	Ongoing	Keep abreast of developments of the Company and understanding Investors sentiments.
Suppliers	No	Supplier meets, Regular interaction through phone, e-mail and in person, Supplier Assessment, Plant visits, MoU, NDA, trade association meets/seminars, professional networks, product workshops.	Ongoing	Quality, timely delivery of supplies and services and payments.
Regulators	No	Advocacy meetings, Seminars, Webinars with local/state/national government and ministries through industry bodies such as Indian Chemical Council.	Need Based	Appraising the Government about Industry Expectation, challenges faced by Industries etc.
Communities	Yes	Site visits and personal meetings	Ongoing	Understanding the Community and identifying the scope of improving their livelihood through CSR initiatives.
NGOs	Yes	E-mails, Phones, personal meetings and participation	Ongoing	Ensuing that the CSR amount given by the Company is expended properly.
Other (Including Contractors, Contract Workers, Trainees)	Yes	Communication from Operational Personnel, Notice, Circulars, Presentation and Training etc.	Ongoing	To impart on-the-job training to the Trainees to order to inculcate required skill sets. To make awareness regarding safety measures to be taken by the Trainees and Contract Workers while performing their job.

### Leadership Indicators

- 1) Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.  
The Company management regularly interacts with key stakeholders i.e. investors, customers, suppliers, employees, etc.
- 2) Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances

as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Not Applicable during the year.

- 3) Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company engages with vulnerable and marginalized stakeholders and support them through its CSR Activities.

**PRINCIPLE 5: Businesses should respect and promote human rights****Essential Indicators**

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	193	193	100%	192	192	100%
Other than permanent	31	31	100%	33	33	100%
<b>Total Employees</b>	<b>224</b>	<b>224</b>	<b>100%</b>	<b>225</b>	<b>225</b>	<b>100%</b>
<b>Workers</b>						
Permanent	225	225	100%	199	199	100%
Other than permanent	209	209	100%	268	268	100%
<b>Total Workers</b>	<b>434</b>	<b>434</b>	<b>100%</b>	<b>467</b>	<b>467</b>	<b>100%</b>

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

Category	Total (A)	FY 2023-24				Total (D)	FY 2022-23			
		Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	173	5	2.89%	168	97.10%	173	11	6.36%	162	93.64%
Female	20	-	-	20	100%	19	-	-	19	100.00%
<b>Other than Permanent</b>										
Male	27	9	33.3%	18	66.6%	29	14	48.28%	15	51.72%
Female	4	2	50%	2	50%	4	2	50.00%	2	50.00%
<b>Workers</b>										
<b>Permanent</b>										
Male	225	7	3.11%	218	96.89%	199	4	2.01%	195	97.99%
Female	-	-	-	-	-	-	-	-	-	-
<b>Other than Permanent</b>										
Male	199	199	100%	-	-	257	257	100.00%	-	-
Female	10	10	100%	-	-	11	11	100.00%	-	-

3. Details of remuneration/salary/wages, in the following format:

**a. Median remuneration/wages:**

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)	4 <sup>^</sup>	1,93,546	2 <sup>#</sup>	1,93,546
Key Managerial Personnel	4 <sup>*</sup>	42,67,419	-	-
Employees other than BoD and KMP	169	5,01,144	20	4,06,553
Workers	225	3,04,095	-	-

<sup>^</sup> Excludes Executive Directors who are KMP. The said category comprises Non-Executive Directors. Also only commission paid is considered as remuneration. Sitting fees paid is not considered as remuneration.

<sup>\*</sup> Includes MD & CEO, Executive Director, Chief Finance Officer (CFO) and Company Secretary (CS).

<sup>#</sup> The Female Board members are Non-Executive Directors and only commission paid is considered as remuneration. Sitting fees paid is not considered as remuneration.



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

Particulars	FY 2023-24	FY 2022-23
Gross wages paid to females as% of total wages	5.60%	5.68%

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

Yes. Human Resource Department is responsible for the same.

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

The Company has a policy on Human Rights which are applicable to all its employees and suppliers & service providers. The said policy and its implementation is directed towards adherence to applicable laws and upholding the spirit of human rights. The Company has in place a 'Code of Conduct' across Businesses. A Grievance Redressal System to facilitate open and structured discussions is available at all units and locations to ensure that grievances related to labour practices and human rights are addressed and resolved in a fair and just manner.

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

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

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

Particulars	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a% of female employees/workers	NA	NA
Complaints on POSH upheld	NA	NA

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

As part of Whistleblower Policy and POSH Policy, the Company protects the identity of complainant. All such matters are dealt in strict confidence. Also, as part of its Code of Conduct, the Company does not tolerate any form of retaliation against anyone reporting legitimate concerns. Anyone involved in targeting such a person will be subject to disciplinary action.

9. Do human rights requirements form part of your business agreements and contracts?

Yes. Supplier Code of Conduct covers the same.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	
Forced/involuntary labour	
Sexual harassment	100% by Statutory Authority
Discrimination at workplace	
Wages	

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above: Not Applicable

### Leadership Indicators

1. **Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints:**  
No such grievances on Human Rights violations.

2. **Details of the scope and coverage of any Human rights due-diligence conducted:**

At present the Company has not conducted any Human Rights Due diligence. However, Company takes annual

4. **Details on assessment of value chain partners:**

#### % of your plants and offices that were assessed (by entity or statutory authorities or third parties)

Sexual Harassment

Discrimination at workplace

Child Labour

Forced Labour/Involuntary Labour

Wages

Others – please specify

In all of our dealings, the Company expects its value chain partners to uphold the same values, beliefs, and business ethics as the Company. However, no formal examination of value chain partners has been conducted.

5. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above:** Not Applicable

### PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

#### Essential Indicators

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

Parameter	FY 2023-24	FY 2022-23
<b>From renewable sources</b>		
Total electricity consumption (A) (Solar)	945.68 GJ	950.52 GJ
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>945.68 GJ</b>	<b>950.52 GJ</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	35,926.52 GJ	46,173.60 GJ
Total fuel consumption (E)	19,498.30 GJ	32,364.92 GJ
Energy consumption through other sources (F)	63,559.58 GJ	39,996.89 GJ
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>1,18,984.40 GJ</b>	<b>1,18,535.41 GJ</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>1,19,930.08 GJ</b>	<b>1,19,485.93 GJ</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed/Revenue from operations)	3.66 GJ/Per lakhs	3.13 GJ/Per lakhs
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed/Revenue from operations adjusted for PPP)	0.98 GJ/Per lakhs	0.84 GJ/Per lakhs
<b>Energy intensity in terms of physical output</b>	<b>0.39</b>	<b>0.50</b>
<b>Energy intensity (optional) – the relevant metric may be selected by the entity</b>	-	-

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?: No

2. **Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:** Not Applicable.

affirmation from Suppliers that they have adhere with Supplier Code of Conduct.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

The office premises of the Company have elevators and relevant infrastructure for differently abled individuals. Necessary arrangements are in place at factory premises for differently abled visitors.

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

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kl)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water (MIDC)/(GIDC)	612726	516561
(iv) Seawater/desalinated water	-	-
(v) Others (Rainwater Harvesting)	3636	3643
<b>Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)</b>	<b>616362</b>	<b>428973</b>
<b>Total volume of water consumption (in kiloliters)</b>	<b>616362</b>	<b>428973</b>
<b>Water intensity per rupee of turnover</b> (Total Water Consumption/Revenue from Operations)	18.80 KL/Per lakhs	11.24 KL/Per lakhs
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption/Revenue from operations adjusted for PPP)	5.05 KL/Per lakhs	3.02 KL/Per lakhs
<b>Water intensity in terms of physical output</b>	<b>2.01 KL/Per Unit</b>	<b>1.78 KL/Per Unit</b>
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	-	-

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? - No.

## 4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) To Surface water</b>		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
<b>(ii) To Groundwater</b>		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
<b>(iii) To Seawater</b>		
- No treatment	NA	NA
- With treatment <sup>#</sup>	NA	NA
<b>(iv) Sent to third-parties</b>		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	26497	22261
<b>(v) Others</b>		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
<b>Total water discharged (in kilolitres)</b>	<b>26497</b>	<b>22261</b>

<sup>#</sup> Before sending water to CETP, the Company undertakes primary i.e. biological treatment, secondary treatment, tertiary treatment, sand filtration, carbon filtration so as to maintain the level as per the MBCP/GPCB consent.

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? - No.

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:**  
Both plants of the Company are aiming for ZLD. Further Company has planned to implement ZLD at Roha during the year 2024-25.

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

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Tonnes	1,253.67	465.00
Sox	Tonnes	541.17	1531.06
Particulate matter (PM)	Tonnes	136.51	925.68
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	PPM	0.4	0.5
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

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

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

Parameter	Please specify unit	FY 2023-24	FY 2022-23
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	484.16	660.96
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	0.03	0.04
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations)	Metric tonnes of CO <sub>2</sub> equivalent	0.015	0.017
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	Metric tonnes of CO <sub>2</sub> equivalent	0.004	0.005
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	Metric tonnes of CO <sub>2</sub> equivalent	0.002 MT/Per Unit	0.003 MT/Per Unit
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b> – the relevant metric may be selected by the entity	-	-	-

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? - No.

## 8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details:

Yes, the Company is committed to reduce carbon emission and aiming least dependency on grid power and optimum utilization of power generated through waste heat recovery system, solar system etc. and also aiming to improve the processes whereby carbon emission can be reduced. Please refer "Annexure I" to the Board report regarding sustainability initiatives.

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

Parameter	FY 2023-24	FY 2022-23	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>			
Plastic waste (A)	-	-	-
E-waste (B)	-	0.13	-
Bio-medical waste (C)	0.008	-	0.01
Construction and demolition waste (D)	-	-	-
Battery waste (E)	-	-	-
Radioactive waste (F)	-	-	-
Other Hazardous waste. Please specify, if any. (G)	9,582.94	2,670.33	1,539.59
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e.by materials relevant to the sector)	-	-	-
<b>Total (A+ B + C + D + E + F + G + H)</b>	<b>9,582.95</b>	<b>2,670.46</b>	<b>1,539.60</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated/Revenue from operations)	0.29	0.07	0.05
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated/Revenue from operations adjusted for PPP)	0.08	0.02	0.01
<b>Waste intensity in terms of physical output</b>	0.03 MT/Per Unit	0.01 MT/Per Unit	0.01 MT/Per Unit
<b>Waste intensity (optional)</b> – the relevant metric may be selected by the entity	-	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>			
<b>Category of waste</b>			
(i) Recycled	NA	NA	NA
(ii) Re-used	NA	NA	NA
(iii) Other recovery operations	NA	NA	NA
<b>Total</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>


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

Category of waste			
(i) Incineration	-	-	0.01
(ii) Landfilling	121.96	149.18	192.65
(iii) Other disposal operations	9,460.99	2,521.28	1,346.94
<b>Total</b>	<b>9,582.95</b>	<b>2,670.46</b>	<b>1,539.60</b>

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? - No.

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

The Company ensures responsible waste management practices involving 100% recycling of plastic waste through MPCB/GPCB authorised agency.

Moreover, hazardous waste generated within the plants are disposed to authorised agency approved by the concerned state pollution control board. Further, before disposal of waste, the Company undertakes primary i.e. biological treatment,

secondary treatment, tertiary treatment, sand filtration, carbon filtration so as to maintain the level as per the consent issued by the concerned state pollution control board. Please refer Annexure I of the Board's Report for Company's initiative towards sustainability initiatives. Further by product dilute sulphuric acid is raw material for other industries ensuring 100% utilization.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format: Not Applicable.**

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable					

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

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

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1.

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

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

Sr. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1.	Indian Chemical Council (ICC)	National
2.	Fertilizer Association of India (FAI)	National
3.	Indian Merchant Chambers (IMC)	National
4.	CHEMEXCIL (Basic Chemicals, Cosmetics & Dyes Export Promotion Council)	National

2. Provide details of corrective action taken or underway on any issues related to anti - competitive conduct by the entity, based on adverse orders from regulatory authorities: Not Applicable

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

## PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year: Not Applicable

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: Not Applicable

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
1.	NA	NA	NA	NA	NA	NA
2.	NA	NA	NA	NA	NA	NA

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

The Company has a process to receive and redress concerns/grievances received from the community. As a part of CSR Initiative senior leadership interacts with the community on a regular basis.

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

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/small producers	40.40%	40.45%
Sourced directly from within the district and neighboring districts	53.49%	70.87%

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

Location	FY 2023-24	FY 2022-23
Rural	45%	56%
Semi Urban	32%	30%
Urban	-	-
Metropolitan	23%	14%

### Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): Not Applicable

Details of negative social impact identified	Corrective action taken
NA	NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies: Not Applicable

Sr. No.	State	Aspirational District	Amount spent (in ₹)
NA	NA	NA	NA



3.

- (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)

The Company does not have any preferential procurement policy but to the certain extent, the Company purchases from MSME.

- (b) From which marginalized/vulnerable groups do you procure? NA

- (c) What percentage of total procurement (by value) does it constitute? NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
	NA	NA	NA	NA

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved: Not Applicable

Name of authority	Brief of the Case	Corrective action taken
NA	NA	NA

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Adopting an inclusive approach for managing challenges and securing community support in tiger conservation in Corbett Landscape, Uttarakhand, India. Promoting Coexistence by Mitigating Human-Wildlife Conflict, Capacity Building Training Programme and Economic Upliftment of Fringe Communities	~1106	100%
2.	Social Empowerment for differently abled Students.	~609	100%
3.	Education & Awareness Programs for students to explore Bio-diversity	~20	30%
4.	Awareness about Science Education through Science magazine to schools/libraries of remote areas for propagation of Scientific information to the students and society at large	~200	50%
5.	Donation for Hostel, Education, Clothes for Students of Nagaland toward the mission of National Integration	~20	100%
6.	Prevention and Control Workshop with ASHA Workers to prevent snakebites, administer basic first aid, and facilitate the prompt transportation of snakebite victims to the nearest healthcare facility equipped to manage snakebite cases. Comprehensive Training to doctors and nurses of PHCs, CHCs, Sub centers and RH to improve their knowledge and practices in the management of Snakebite Envenoming (SBE). Workshop to Maharashtra Forest Department: Snake identification and protocol for rescue and relocation and prevention and control of snakebite workshops with Maharashtra forest departments.	~1185	40%
7.	Women Empowerment: Donation of Sewing Machines, Training for self- defense, business activities. Self-motivation, awareness of govt. scheme for women, handmade jewelry making.	~285	100%
8.	Education, Rural Infrastructure, Sanitation and Clean Drinking Water	~1146	60%
9.	Sterilization and immunization of stray dogs, Awareness about Rabies and issues w.r.t. Dogs and facilitating adoption of abandoned and stray dogs	~20	100%
10.	Disaster Management: Donation of 200 Nos of Ration Kit to flood affected People	~200	100%

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner****Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:**

The Company has dedicated email to address consumer enquiries, service, support and feedback. The complaints if any are escalated and resolved within the time bound period depending on nature of complaint. The Company's Marketing Team interacts with the consumer at regular intervals for addressing the query, grievances and feedback.

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

	<b>As a percentage to total turnover</b>
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	Not Applicable

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

<b>Category</b>	<b>FY 2023-24</b>			<b>FY 2022-23</b>		
	<b>Received during the year</b>	<b>Pending resolution at the end of year</b>	<b>Remarks</b>	<b>Received during the year</b>	<b>Pending resolution at the end of year</b>	<b>Remarks</b>
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

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

	<b>Number</b>	<b>Reason for recall</b>
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

**5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:** Yes. [https://www.dmcc.com/Media/pdf/DMCC\\_Policy\\_Information-Technology.pdf](https://www.dmcc.com/Media/pdf/DMCC_Policy_Information-Technology.pdf)**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services:**

The cyber security for the Company has been outsourced and managed by a leading IT services Company. The regular reviews are conducted and corrective actions are taken to improve the cyber security posture. Data privacy requirements are being evaluated with respect to proposed personal data privacy law. The actions will be taken as per data privacy law.

**7. Provide the following information relating to data breaches:**

- Number of instances of data breaches along-with impact:** Nil
- Percentage of data breaches involving personally identifiable information of customers:** Nil
- Impact if any of the data breaches:** NA

**Leadership Indicators****1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available):**

The information on products and services of the entity can be accessed at [www.dmcc.com](http://www.dmcc.com)

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:** MSDS Sheets/Company Brochures**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:**

The Company's product does not directly fall into the essential service; however, its products find application in various industries which falls under the essential service industries and in case of disruption, the Company informs the consumers through emails and phone calls.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

No. The Company displays all the mandatory information as per the applicable laws.



# Report on Corporate Governance 2023-24



## 1. Company's philosophy on Code of Governance and Governance Structure

Your Company strongly believes that its system of Corporate Governance protects the interests of all the stakeholders by inculcating transparent business operations and accountability from management. The Core Values viz. Sustainability, Excellence, Integrity, Customer Satisfaction and Trust, guides the Company towards fulfilling the consistently high standard of Corporate Governance in all facets of the Company's operations. Accordingly, your Company has been practising the broad principles of Corporate Governance over the years by placing a strong emphasis on transparency, empowerment, accountability and integrity so as to continuously enhance values for the stakeholders, the shareholders, the customers, the employees and the creditors.

### Governance Structure

The Corporate Governance structure of the Company is as follows:

- i. **Board of Directors:** The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and governance.
- ii. **Committees of the Boards (hereinafter called "Committees"):** The Board has constituted the following Committees viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Independent Directors' Committee, Stakeholders Relationship Committee and Risk Management Committee. Each of the said committees has been mandated to operate as per the terms of reference including the express provisions regarding roles and responsibilities as per the applicable laws.

## 2. Board of Directors

### a) Composition & Size of the Board

The Board is headed by Shri Laxmikumar Narottam Goculdas, Non-Executive Chairman and Promoter of the Company and is comprised of eminent persons having in-depth knowledge of business and industry.

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors with two Women Directors, one of them being Independent. As on March 31, 2024, the Board of Directors of the Company comprises eight (8) Directors, out of which two (2) are Non-Executive Non-Independent Directors, four (4) are Independent Directors and two (2) are Executive Directors.

The composition of the Board of Directors meets the requirement of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ('Listing Regulations') as amended from time to time as detailed in the table at Para 2(f) below.

### b) Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The board meetings are pre-scheduled and a tentative calendar of the Board meeting is circulated to the Directors well in advance to facilitate them to plan their schedules. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent board meeting.

In accordance with the Companies Act, 2013 read with Rules made thereunder ("the Act"), the meetings of the Board held on May 17, 2023, August 09, 2023, November 08, 2023 and February 09, 2024 of these meetings on August 09, 2023 and February 09, 2024 were held in person, and the other meetings of the Board were held through Audio Visual means.

The notice, agenda along with the relevant notes, documents, and other material information (except financial results) are sent in advance separately to each Director by physical/electronic mode and in exceptional cases tabled at the meeting. This ensures timely and informed decisions by the Board. As per the Company policy, the financial results are tabled at the meeting and not circulated earlier with the agenda papers. The Board reviews the performance of the Company.

### c) Intimation given to the Board

The Company provides the information as set out in Regulation 17(7) read with Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") to the Board and its committees to the extent it is applicable and relevant. Such information is submitted either as part of the respective meetings or by way of presentations and discussions during the meeting.

### d) Post Meeting Mechanism

The important decisions taken at the Board/Committee meetings are communicated to the concerned departments/divisions for the necessary action.

### e) Board Support

The Company Secretary attends the Board/Committee meetings and advises on compliance with the applicable laws and governance.

## f) Number of Board meetings held during the year along with the dates of the meetings

Four (4) meetings of the Board were held during the financial year ended March 31, 2024 on May 17, 2023, August 09, 2023, November 08, 2023 and February 09, 2024. The interval between the two consecutive meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Regulations.

Attendance of each Director at the Board Meetings held during the financial year ended March 31, 2024 and the last Annual General Meeting held on September 12, 2023 and No. of other Directorships/Memberships of the Committee and other relevant details are as under:

Sr. No.	Name of Directors	Category of Directorship/ designation as on March 31, 2024	No. of Board Meetings attended (out of 4 Meetings held)	Attendance at last AGM held on September 12, 2023	No. of other Directorships as on March 31, 2024 <sup>#</sup>	No. of Board Committees of other companies in which Chairman, as on March 31, 2024	No. of Board Committees of other companies in which Member, as on March 31, 2024 <sup>§</sup>	Names of other Indian listed entities where the person is a director and the category of directorship as on March 31, 2024
1	Shri Laxmikumar Narottam Goculdas DIN: 00459347	Chairman, Promoter, Non-Executive Director	4	Yes	Nil	Nil	Nil	Nil
2	Ms. Mitika Laxmikumar Goculdas DIN: 02879174	Vice-Chairperson, Promoter Group, Non-Executive Director	4	Yes	Nil	Nil	Nil	Nil
3	Shri Madhu Thakorlal Ankleshwaria DIN: 02753794	Non-Executive, Independent Director	4	Yes	1 <sup>@</sup>	1	Nil	Nil
4	Shri Mukul Manoharlal Taly DIN: 01334360	Non-Executive, Independent Director	4	Yes	Nil	Nil	Nil	Nil
5	Shri Sanjeev Vishwanath Joshi DIN: 00392020	Non-Executive, Independent Director	4	Yes	Nil	Nil	Nil	Nil
6	Dr. (Mrs.) Janaki Ashwin Patwardhan DIN: 09180182	Non-Executive, Independent Director	4	Yes	Nil	Nil	Nil	Nil
7	Shri Bimal Lalitsingh Goculdas DIN: 00422783	Executive Director, Promoter Group, Managing Director, and Chief Executive Officer	4	Yes	Nil	Nil	Nil	Nil
8	Shri Dilip Trimbak Gokhale DIN: 06734397	Executive Director	4	Yes	Nil	Nil	Nil	Nil

<sup>@</sup> Non-Executive Independent Director in Avik Pharmaceuticals Limited.

<sup>#</sup> Number of Directorships held in other public companies excludes Directorship of DMCC Speciality Chemicals Limited (Formerly known as "The Dharamsi Morarji Chemical Company Limited"), Directorships in private companies, foreign companies, companies under Section 8 of the Companies Act, 2013 and alternate Directorships.

<sup>§</sup> Only Membership/Chairmanship of Audit Committee and Stakeholders' Relationship Committee of listed and unlisted public limited companies excluding DMCC Speciality Chemicals Limited (Formerly known as "The Dharamsi Morarji Chemical Company Limited") are considered.

Memberships or Chairmanships of the stipulated Board Committees held by all Directors are within the limits specified under Regulation 26(1) of the Listing Regulations. Further, None of the Directors holds Directorships in more than 20 Companies including 10 Public Companies pursuant to the provisions of Section 165 of the Companies Act, 2013. Further, the other directorships held by all Directors including Independent Directors are within the limit prescribed under Listing Regulations.

## g) Disclosure of Relationship between directors inter-se

None of the Directors of the Company except Shri Laxmikumar Narottam Goculdas (father of Ms. Mitika Laxmikumar Goculdas and uncle of Shri Bimal Lalitsingh Goculdas), Ms. Mitika Laxmikumar Goculdas (Daughter of Shri Laxmikumar Narottam Goculdas and cousin of Shri Bimal Lalitsingh Goculdas) and Shri Bimal Lalitsingh Goculdas, (Nephew of Shri Laxmikumar Narottam Goculdas and cousin brother of Ms. Mitika Laxmikumar Goculdas) are related to each other.



## h) Familiarisation Programme for Independent Directors

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The Director is explained in detail the compliance required from him/her under the Companies Act, 2013, Listing Regulations and other relevant regulations and affirmation taken with respect to the same. The Chairman and MD & CEO also have one-to-one discussions with the newly appointed Directors to familiarise him/her with the Company's operations. Further, the Company has put in place a system to familiarise the Independent Directors about the Company, its products, and the business and the on-going events relating to the Company and also regulatory updates having an impact on the Company. The details of the familiarization programme of the Independent Directors are available on the website of the Company at [www.dmcc.com](http://www.dmcc.com) under Investor Section.

## i) Matrix of skills/competence/expertise of Directors

Pursuant to the Listing Regulations, the following matrix summarises a list of core skills/expertise/competencies identified by the Board as required in the context of its business and the sector in which the Company operates.

Industry Knowledge/Experience	Technical Skills/Expertise/Competencies	
Industry Experience	Finance & Accounting	Business Administration
Knowledge of the Chemical Sector	Legal	Strategy and Business Development
International Business	Compliance and Governance	Human Resource Management
Supply Chain Management	Information Technology	Risk Management
Financial Management	Public Relation	Leadership and Business Administration

The Company's Board comprises a qualified member who possesses the aforesaid knowledge, experience, technical skills, expertise and competencies for effective contribution to the Board and its committees. Details of the skills/expertise/competencies possessed by the Directors who were part of the Board as on March 31, 2024 are as follows:

Sr. No.	Name of Directors	Brief Description of Experience Technical Skills/Expertise/Competencies
1	Shri Laxmikumar Narottam Goculdas	52+ years' experience in Industry. Extensive Leadership, Business Administration, wide knowledge of Trade, Commerce, Strategy, Corporate Restructuring, Corporate Affairs, Public Relations and International Trade.
2	Ms. Mitika Laxmikumar Goculdas	26+ years' experience in Industry. Extensive Leadership, Business Administration, wide knowledge of Trade, Commerce, Strategy, Corporate Restructuring, Corporate Affairs, Finance, Public Relations and International Trade.
3	Shri Bimal Lalitsingh Goculdas	32+ years' experience in Industry. Leadership and Business Administration, Wide Knowledge and experience in Industry, Trade, Commerce, Strategy, Corporate Affairs, Technical, Public Relations, Corporate Finance, and International Trade.
4	Shri Dilip Trimbak Gokhale	35+ years' experience of Secretarial, Legal, Corporate Governance, Finance, HR & Administration, Insurance, Public Relations and Internal Audit etc.
5	Shri Madhu Thakorlal Ankleshwaria	42+ years' experience in Finance and Accounting, Auditing, Internal Audit, Insurance, Foreign Trade, Taxation, Financial Management, Risk Management, Corporate Restructuring, Due Diligence, Corporate Governance and Strategy.
6	Shri Mukul Manoharlal Taly	40+ years' experience in Legal, Compliance and Governance, Taxation, Insurance, Foreign Trade, Risk Management, Strategy, Finance, International Business, Corporate Restructuring and Due Diligence.
7	Shri Sanjeev Vishwanath Joshi	37+ years' experience in Finance and Accounting, Auditing, Internal Audit, Taxation, Foreign Trade, Financial Management, Risk Management, Corporate Restructuring, Due Diligence, Corporate Governance and Strategy.
8	Dr. (Mrs.) Janaki Ashwin Patwardhan	24+ years' experience in Chemical and Pharmaceutical Industry. Expertise in Process Engineering, Health and Safety, Plant design and Techno Commercial Feasibility studies and R&D.

## j) Independent Directors

During the year under review, all Independent Directors of the Company fulfill the criteria of Independence as given under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and have furnished a declaration of independence pursuant to Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the Listing Regulations that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The said declaration of independence was reviewed and taken on record by the Board and in the opinion of the Board, all Independent Directors of the Company fulfill the criteria of independence and all conditions specified in the Listing Regulations and are independent of the management.

A formal letter of appointment to Independent Director as provided in the Companies Act, 2013 and the Listing Regulations has been issued and disclosed on the website of the Company at [www.dmcc.com](http://www.dmcc.com)

None of the Independent Directors has resigned before the expiry of their respective tenures during the financial year 2023-24.

## k) Separate Meeting of Independent Directors

In compliance with Regulation 25(3) of the Listing Regulations, a separate meeting of the Independent Directors (Independent Directors' Committee) of the Company was held on February 08, 2024 in which all independent directors attended the meeting.

The Independent Directors at their meeting, inter-alia discussed the following:

- a) Evaluation of the performance of Non-Independent Directors and the Board as a whole;
- b) Evaluation of the performance of the Chairperson and Vice Chairperson of the Company, taking into account the views of Non-Executive Directors; and
- c) Assessment of the quality, quantity and timelines of the flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

## 3. Audit Committee

### a) Terms of Reference, Composition and Meetings

The terms of reference of the Audit Committee cover matters specified under Part C of Schedule II of Listing Regulations and Section 177 of the Companies Act, 2013 as amended from

time to time. The terms of reference of the Audit Committee inter alia includes the following matters:

- \* oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- \* recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- \* approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- \* reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - » 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;
  - » compliance with listing and other legal requirements relating to financial statements;
  - » disclosure of any related party transactions;
- \* reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- \* 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 or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- \* reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- \* scrutiny of inter-corporate loans and investments;
- \* evaluation of internal financial controls and risk management systems;
- \* reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- \* reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;



- \* discussion with internal auditors of any significant findings and follow up there on;
- \* to review the functioning of the whistle blower mechanism;
- \* approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- \* reviewing the utilization of loans and/or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision;
- \* consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- \* Carrying out any other function as mentioned in the terms of reference of the Audit Committee and as prescribed under the SEBI Listing Regulations, the Companies Act, 2013 and the Rules made thereunder and any other statutory/regulatory body from time to time.

**The audit committee is required to mandatorily review the following information:**

- \* management discussion and analysis of financial condition and results of operations;
- \* management letters/letters of internal control weaknesses issued by the statutory auditors;
- \* internal audit reports relating to internal control weaknesses;
- \* the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.;
- \* statement of deviations:
- \* quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

- \* annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**Responsibilities under the Code of Conduct for Prevention of Insider Trading**

- \* Setting forth the policies relating to and overseeing the implementation of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("Regulations"), as amended from time to time and the Code of Conduct for Prevention of Insider Trading ("Code");
- \* Taking on record such reports as may be required from the Compliance Officer under the Code; and
- \* Deciding penal and disciplinary action in respect of violation of the Regulations/Code.

Detailed terms of reference are available on the website of the Company at [www.dmcc.com](http://www.dmcc.com)

As on March, 2024, the Audit Committee comprises of 3 Directors/Members out of which 2 are Independent Directors and 1 is Non-Executive Non-Independent (Promoter) Director. Shri Sanjeev V. Joshi, Chairman of the Audit Committee is a Chartered Accountant and all members of the Audit Committee are professionals, experienced and possess sound knowledge of finance, accounting practices and internal controls. Shri Omkar Mhamunkar, Company Secretary, acts as the Secretary to the Committee.

During the year under review, four (4) Audit Committee Meetings were held on May 17, 2023, August 09, 2023, November 08, 2023 and February 09, 2024.

The interval between the two meetings was well within the maximum period mentioned under Listing Regulations. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

The composition of the Audit Committee as on March 31, 2024 and changes in composition along with the attendance of members at the Audit Committee Meetings held during the year under review is as under:

Name of Director	Category	Attendance
Shri Sanjeev Vishwanath Joshi (Chairman)	Non-Executive Independent	4/4
Shri Madhu Thakorlal Ankleshwaria	Non-Executive Independent	4/4
Shri Laxmikumar Narottam Goculdas	Non-Executive, Non-Independent Promoter Director	4/4

The meetings were attended by the Managing Director and Chief Executive Officer, Company Secretary, Chief Finance Officer, Internal Auditor and Statutory Auditors.

## 4. Nomination and Remuneration Committee

### a) Terms of Reference, Composition and Meetings

The terms of reference of the Nomination and Remuneration Committee ("NRC") inter-alia includes the matters stipulated in Point A of Part D of Schedule II of the Listing Regulations and Section 178 of the Companies Act, 2013 as under:

- \* Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- \* For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) Consider the time commitments of the candidates.
- \* Formulation of criteria for evaluation of the performance of independent directors and the board of directors;

- \* Devising a policy on diversity of the Board of Directors;
- \* Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- \* Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- \* Recommend to the board, all remuneration, in whatever form, payable to senior management.
- \* To do such act as specifically prescribed by Board and carry out such functions, and is empowered to act, in terms of the Companies Act 2013, read with rules framed there under and the Regulations framed by the Securities Exchange Board of India, including any amendment or modification thereof.

Detailed terms of reference are available on the website of the Company at [www.dmcc.com](http://www.dmcc.com).

The Nomination and Remuneration Committee members held their meeting on May 17, 2023 and August 09, 2023, and all the members attended the meeting. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company.

The composition of the committee as on March 31, 2024 and changes in composition along with the attendance of members at the Committee Meetings held during the year under review is as under:

Name of Director	Category	Attendance
Shri Mukul Manoharlal Taly (Chairman)	Non-Executive Independent	2/2
Shri Madhu Thakorlal Ankleshwaria	Non-Executive Independent	2/2
Shri Sanjeev Vishwanath Joshi	Non-Executive Independent	2/2
Ms. Mitika Laxmikumar Goculdass	Non-Executive Non-Independent Promoter Director	2/2

### b) Performance Evaluation Criteria for Independent Director

The criteria for performance evaluation of the Independent Director included aspects like Qualification and Experience, Competency, Knowledge, fulfilment of Functions, ability to function as team, Initiative, Availability and Attendance, Commitment, Contribution, Integrity, Independence, Independent View and Judgement etc.

Pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by the Listing Regulations, the Board of Directors ('Board') has carried out an annual evaluation of its own performance, and that of its Committees and individual Directors.

This was followed by a Board Meeting on February 09, 2024 that discussed the performance of the Board, its Committees and individual Directors.



Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees.

The performance evaluation of the Chairman, Vice-Chairperson, Managing Director and Executive Director ("Non-Independent Directors") were carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

## 5. Stakeholders Relationship Committee

### a) Composition and Meetings

The Stakeholders Relationship Committee comprises of Shri Laxmikumar Narottam Goculdas, (Non-Executive Chairman) as Chairman of the Committee and two other Independent Directors as members of the Committee. The Committee is vested with the requisite powers and authorities. In addition to the Share Transfer-related matters, the committee specifically looks into the redressing of shareholder's and investor's complaints, if any, like delayed transfer of shares, non-receipt of annual reports, non-receipt of declared dividends etc.

Shri Omkar Chandrakant Mhamunkar is the Company Secretary & Compliance Officer of the Company.

Pursuant to Regulation 40 of the Listing Regulations Shri Omkar Chandrakant Mhamunkar, Company Secretary and Compliance Officer is authorised to approve shareholders request w.r.t. Transmission, Name Deletion, Transposition, Issue of Duplicate Shares; and handling all other request(s), grievance(s) of shareholders, including issuing necessary directions to the Registrar and Transfer Agent.

During the year under review, one (1) Committee meeting was held on February 08, 2024.

The composition of the committee as on March 31, 2024 and changes in composition along with the attendance of members at the Committee Meetings held during the year under review is as under:

Name of Director	Category	Attendance
Shri Laxmikumar Narottam Goculdas (Chairman)	Non-Executive Non-Independent Promoter Director	1/1
Shri Madhu Thakorlal Ankleshwaria	Non-Executive Independent	1/1
Shri Sanjeev Vishwanath Joshi	Non-Executive Independent	1/1

### b) Terms of Reference

The role of the Stakeholders Relationship Committee ("SRC") inter alia includes terms of reference as specified in Point B of Part D of Schedule II of Listing Regulations as under:

- \* Resolving the grievances of the security holders of the Company;
- \* Review of measures taken for the effective exercise of voting rights by shareholders;
- \* Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- \* Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Detailed terms of reference are available on the website of the Company at [www.dmcc.com](http://www.dmcc.com).

### c) Details of Shareholders' Complaints Received, solved and pending Share Transfer

During the year under review, there were sixteen (16) complaints received from the shareholders

and those were redressed within the timeline and as on March 31, 2024 no complaint is pending. Shareholders/Investors requests and other correspondence are generally attended to within seven working days except where constrained by disputes or legal impediments. No investor grievances remained unattended/pending for more than thirty days as on March 31, 2024.

## 6. Corporate Social Responsibility Committee

### a) Terms of Reference

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Company has constituted Corporate Social Responsibility ("CSR") Committee. The terms of reference of CSR Committee, inter-alia, includes:

- \* formulating and recommending 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;
- \* To formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy;
- \* recommend the amount of expenditure to be incurred on the CSR activities, provide guidance on various CSR activities to be undertaken by the Company;

\* monitoring of the execution and implementation of the annual action plan formulated in accordance with this Policy and approved by the Board;

\* any other matter as may be entrusted to the CSR Committee by the Board from time to time.

Detailed terms of reference are available on the website of the Company at [www.dmcc.com](http://www.dmcc.com).

## b) Composition, Meeting and Attendance

The CSR Committee members held their meeting on May 17, 2023 and all the members attended the meeting.

The composition of the committee as on March 31, 2024 and changes in composition along with the attendance of members at the Committee Meetings held during the year under review is as under:

Name of Director	Category	Attendance
Ms. Mitika Laxmikumar Goculdas (Chairperson)	Non-Executive Non-Independent Promoter Director	1/1
Shri Madhu Thakorlal Ankleshwaria	Non-Executive Independent	1/1
Shri Mukul Manoharlal Taly	Non-Executive Independent	1/1
Shri Sanjeev Vishwanath Joshi	Non-Executive Independent	1/1

## 7. Risk Management Committee

### a) Composition

The Risk Management Committee ("RMC") met twice during the year i.e. on August 09, 2023 and February 06, 2024. The composition of the RMC as on March 31, 2024 and changes in composition along with the attendance of members at the RMC meetings held during the year under review is as under:

Name of Director	Category	Attendance
Shri Bimal Lalitsingh Goculdas	Chairman (Executive, Non-Independent)	2/2
Ms. Mitika Laxmikumar Goculdas	Non-Executive Non-Independent Promoter Director	2/2
Shri Dilip Trimbak Gokhale	Executive Director	2/2
Shri Mukul Manoharlal Taly	Non-Executive Independent	2/2
Dr. (Mrs.) Janaki Ashwin Patwardhan	Non-Executive Independent	2/2
Shri Sunil Kumar Goyal <sup>®</sup>	Chief Finance Officer	1/1

<sup>®</sup> Shri Sunil Kumar Goyal was appointed as a member of the Committee w.e.f. August 09, 2023,

### b) Terms of Reference

The broad terms of reference of the Committee inter-alia includes:

- i. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- ii. To monitor and oversee the implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- iii. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- iv. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- v. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- vi. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors;
- vii. To Formulate Detailed Risk Management Policy as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- viii. Review and undertake such other assignments/activities as may be specified by the Board in compliance with applicable law from time to time.

Detailed terms of reference are available on the website of the Company at [www.dmcc.com](http://www.dmcc.com).



## 8. Senior Management

### Particulars of Senior Management including changes therein since the close of the previous financial year

During the FY 2023-24, Shri Sunil Kumar Goyal was appointed as Chief Finance Officer of the Company w.e.f. May 18, 2023. Apart from the same, there were no changes in the Senior Management of the Company. Further as on date of this report Shri Dilip Trimbak Gokhale, Executive Director and Key Managerial Personnel (DIN: 06734397) has completed his term as Executive Director on May 21, 2024 and considering the experience and expertise of Shri Dilip Trimbak Gokhale, on the recommendation of the Nomination and Remuneration Committee the Board of Directors at their meeting held on May 23, 2024 decided to continue the association of Shri Dilip Trimbak Gokhale as a Senior Management Personnel of the Company and appointed him as Sr. Executive Vice-President for a period of Three (3) consecutive years w.e.f. May 23, 2024 to May 22, 2027.

## 9. Remuneration to Directors

### a) Remuneration to Non-Executive Directors

At present, all Non-Executive Directors of the Company are entitled to sitting fees of ₹ 25,000/- each for attending Board as well as committee meetings.

They are also entitled to receive a commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee within the limit of 1% of net profits u/s 198 of the Companies Act, 2013 as approved by the shareholders of the Company. Details of remuneration paid to Non-Executive Directors during the financial year ended March 31, 2024 are as under:

Sr. No.	Name of Directors	Sitting fees paid for attending the meeting of (in ₹)							Commission (in ₹) *	Total (in ₹)	No. of Equity Shares held as of March 31, 2024
		Board	Audit Committee	Nomination and Remuneration Committee	CSR Committee	Independent Directors Committee	Risk Management Committee	Stakeholders Relationship Committee			
1	Shri Laxmikumar Narottam Goculdas	1,00,000	1,00,000	-	-	-	-	25,000	4,83,867	7,08,867	9044691
2	Ms. Mitika Laxmikumar Goculdas	1,00,000	-	50,000	25,000	-	50,000	-	1,93,546	4,18,546	Nil
3	Shri Madhu Ankleshwaria	1,00,000	1,00,000	50,000	25,000	25,000	-	25,000	1,93,546	5,18,546	225
4	Shri Mukul Manoharlal Taly	1,00,000	-	50,000	25,000	25,000	50,000	-	1,93,546	4,43,546	Nil
5	Shri Sanjeev Vishwanath Joshi	1,00,000	1,00,000	50,000	25,000	25,000	-	25,000	1,93,546	5,18,546	4435
6	Dr. (Mrs.) Janaki Ashwin Patwardhan	1,00,000	-	-	-	25,000	50,000	-	1,93,546	3,68,546	Nil
<b>Total</b>		<b>6,00,000</b>	<b>3,00,000</b>	<b>2,00,000</b>	<b>1,00,000</b>	<b>1,00,000</b>	<b>1,50,000</b>	<b>75,000</b>	<b>14,51,597</b>	<b>29,76,597</b>	<b>9049351</b>

\*Commission relates to the financial year ended March 31, 2023, which was approved by the Board on May 17, 2023 and to be paid during the financial year 2023-24.

Apart from commission, there are no variable components and performance-linked incentives to the Non-Executive Directors.

There were no convertible instruments held by any Directors of the Company and no stock options are issued to the Directors.

None of the Non-Executive Directors had any pecuniary relationship or transactions with the Company other than the Directors' sitting fees and commission, as applicable, received by them except Shri Laxmikumar Narottam Goculdas and Ms. Mitika Laxmikumar Goculdas who are Promoters of the Company. The Company reimburses the out-of-pocket expenses, if any, incurred by the Directors for attending meetings.

### b) Details of remuneration and perquisites paid to the Managing Director and Chief Executive Officer

Details of remuneration paid/payable to the Managing Director and Chief Executive Officer during the financial year ended March 31, 2024 are as below: (excludes contribution to Gratuity Fund & Leave Encashment on retirement, since same is provided on the actuarial basis for the Company as a whole):

Name and Designation	Salary **	Contribution to PF and Superannuation Fund	Perquisites	₹ in lakhs
				Total
Shri Bimal Lalitsingh Goculdas, Managing Director and Chief Executive Officer	132.38	29.97	14.32	176.67

\*\* Includes Performance Linked Incentive for the financial year 2022-23 ₹ 14.52 lakhs paid during the year 2023-24.

As on March 31, 2024 Shri Bimal Lalitsingh Goculdas holds 97200 Nos. (0.39%) of Equity Shares of the Company of ₹ 10/- each.

No severance fees or stock options are available to the Managing Director and Chief Executive Officer.

**i. Relation of the Managing Director, and Chief Executive Officer with Directors**

Shri Bimal Lalitsingh Goculdas, Managing Director and Chief Executive Officer of the Company is related to Shri Laxmikumar Narottam Goculdas and Ms. Mitika Laxmikumar Goculdas.

**ii. Remuneration Policy**

The Managing Director and Chief Executive Officer is paid remuneration as per the approval of the Board and of the shareholders of the Company and as per the remuneration policy of the Company applicable to the Board and Senior Management. The remuneration structure of the Chief Executive Officer comprises of Salary, H.R.A., Commission/ Performance Linked Incentive, Perquisites, Contribution to Provident Fund & Superannuation and Gratuity.

**c) Details of remuneration and perquisites paid to the Executive Director**

Details of remuneration paid/payable to the Executive Director during the financial year ended March 31, 2024 are as below:

₹ in lakhs			
Name and Designation	Salary	Perquisites	Total
Shri Dilip Trimbak Gokhale, Executive Director	53.29	1.12	54.41

The term of the service contract of Shri Dilip Trimbak Gokhale, Executive Director of the Company, is from May 22, 2021 to May 21, 2024. No severance fees or stock options are available to him. The Contract can be terminated by either side by giving three months' notice. Additionally, the Company however reserves the right to terminate the contract by giving three months' salary and perquisites in lieu of notice.

As on March 31, 2024 Shri Dilip Trimbak Gokhale holds 148 Nos. of Equity Shares of the Company of ₹ 10/- each.

**i. Relation of the Executive Director with Directors**

Shri Dilip Trimbak Gokhale is not related to any Directors of the Company.

**ii. Remuneration Policy**

Subject to the approval of the Board and of the Company in General Meeting and such other approvals as may be necessary, the Executive Director is paid remuneration as per the Agreements entered into between him and the Company and as per the remuneration policy of the Company applicable to the Board and Senior Management. The remuneration structure of the Executive Director comprises Salary and other perquisites as applicable.

## 10. General Body Meetings

**a) Annual General Meetings**

The details of the last three Annual General Meetings (AGM) of the Company are given below:

No. of AGM	Date and Time	Venue
102 <sup>nd</sup> AGM for the FY 2022-23	September 12, 2023 at 11.30 a.m.	Held through Other Audio Visual Means (OAVM) as per the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India
101 <sup>st</sup> AGM for the FY 2021-22	September 14, 2022 at 11.30 a.m.	Held through Other Audio Visual Means (OAVM) as per the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India
100 <sup>th</sup> AGM for the FY 2020-21	September 22, 2021 at 11.30 a.m.	Held through Other Audio Visual Means (OAVM) as per the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India

**b) Special resolutions passed at the last three Annual General Meetings (AGM) of the Company**

**1) At the 102<sup>nd</sup> AGM for FY 2022-23 held on September 12, 2023:**

- i.** Special Resolution for (Item 5) Continuation of directorship of Shri Madhu Thakorlal Ankleshwaria (DIN: 02753794), as an Independent Director of the Company.

**2) At the 101<sup>st</sup> AGM for FY 2021-22 held on September 14, 2022:**

- i.** Special Resolution for (Item 7) Re-appointment of Shri Sanjeev Vishwanath Joshi as an Independent Director of the Company for a second term of five consecutive years commencing with effect from February 14, 2023 to February 13, 2028.
- ii.** Special Resolution for (Item 8) Appointment of Shri Mukul Manoharlal Taly as an Independent Director of the Company for a second term of five consecutive years commencing with effect from February 14, 2023 to February 13, 2028.



- iii. Special Resolution for (Item 9) Change of Name of the Company from 'The Dharamsi Morarji Chemical Company Limited to 'DMCC Speciality Chemicals Limited' and consequential amendment to the Memorandum of Association and Articles of Association of the Company.

3) **At the 100<sup>th</sup> AGM for FY 2020-21 held on September 22, 2021:**

- i. Special Resolution for (Item 9) Appointment of Shri Dilip Trimbak Gokhale as Whole-Time Director, designated as "Executive Director" for a period effective from May 22, 2021 to May 21, 2024;
- ii. Special Resolution for (Item 10) Approval for Enhancement of Borrowing Limits not exceeding ₹ 200 crores.
- iii. Special Resolution for (Item 11) Approval for Creation of mortgage and/or charge on all or any of the movable and/or immovable properties of the Company not exceeding ₹ 200 crores.

**c) Extra Ordinary General Meetings**

No Extraordinary General Meeting of members was held during the FY 2023-24.

**d) Postal Ballot**

- i. **Details of special resolutions passed by postal ballot and Voting Pattern:** During the financial year following resolutions were passed through a Postal Ballot:

Date of Passig Announcement of Results	Type of Resolution	Particulars of Resolution	% of Votes in favour	% of Votes Against
June 24, 2023	Special Resolution	Re-appointment of Shri Bimal Lalitsingh Goculdas (DIN: 00422783) as a Managing Director and Chief Executive Officer for a period of 3 (three) years from April 01, 2023 to March 31, 2026	99.9959	0.0041
		Approval for waiver of excess managerial remuneration paid to Shri Bimal Lalitsingh Goculdas (DIN: 00422783), Managing Director & Chief Executive Officer of the Company	99.9816	0.0184
		Approval for waiver of excess managerial remuneration paid to Shri Dilip Trimbak Gokhale (DIN: 06734397), Executive Director of the Company	99.9816	0.0184

**Note:** The resolution are deemed to be passed on June 23, 2023 being the last day of e-Voting.

ii. **Person who conducted the aforesaid postal ballot exercise:**

Shri Satish Kumar Jain Proprietor of SKJ & Associates, Practising Company Secretaries (ICSI Membership No. FCS: 6398; CP No. 6632), Scrutiniser for the Postal Ballot, scrutinised the aforesaid postal ballot exercise in a fair and transparent manner.

iii. **Whether any special resolution is proposed to be conducted through postal ballot:**

Yes. The Company is scheduled to pass a resolution through postal ballot for (a) Appointment of Shri Haren Devidas Parekh (DIN: 00004883) as an Independent Director not liable to retire by rotation, to hold office for a first term of five (5) consecutive years, commencing from May 23, 2024 upto May 22, 2029. (b) Appointment of Shri Kuldeep Kumar Tiwari (DIN: 10633725) as a Whole-Time Director designated as "Executive Director (Operations)" of the Company for the period

of three (3) consecutive years w.e.f. May 24, 2024. (c) Approval for waiver of remuneration by way of commission for FY 2022-23 paid to Non-Executive Directors of the Company for the period of three (3) consecutive years w.e.f. May 24, 2024. (d) Approval for waiver of excess managerial remuneration for FY 2023-24 paid to Shri Dilip Trimbak Gokhale (DIN: 06734397), Executive Director of the Company, (e) Approval of payment of commission to Non-Executive Directors of the Company for a period of three (3) years beginning from FY 2023-24.

iv. **Procedure for Postal Ballot:**

Postal Ballot was conducted as per Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013, ('Act') (including any statutory modification or re-enactment thereof for the time being in force), read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, ('Rules'),

Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ('SS-2'), each as amended, and in accordance with the relevant requirements prescribed by the Ministry of Corporate Affairs ('MCA') for holding general meetings/conducting postal ballot process.

## 11. Means of Communication

- a) **Quarterly, Half yearly and Annual Results:** Quarterly, half-yearly and Annual Financial Results of the Company are forwarded to the Stock Exchanges, viz. BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and published in "Free Press Journal" (English Language) and "Navshakti" (Marathi Language) newspapers.
- b) **Website:** The Company has its own website and all the vital information relating to the Company, its products its business and operations, Press Releases and investor information can be viewed at the Company's website at [www.dmcc.com](http://www.dmcc.com). The 'Investor' section serves to inform the investors by providing key and timely information like financial results, annual reports, shareholding pattern, press release, announcements, investor presentations etc.
- c) **Annual Report:** The Annual Report containing, inter alia, Audited Financial Statement, Audited Consolidated Financial Statement, Board's Report, Auditors Report and other important information is circulated to the members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report. The Annual Report is also available in downloadable form on the website of the Company at [www.dmcc.com](http://www.dmcc.com).
- d) **Investor Presentations:** The Investor Presentations are uploaded on the website of the Stock Exchanges (BSE/NSE) and also on the website of the Company at [www.dmcc.com](http://www.dmcc.com).
- e) **Investor Conference Call:** The Company at regular intervals hold investor conference calls and the Management of the Company interacts with the Investors.
- f) **Uploading on NEAPS & BSE Listing Centre:** NSE's NEAPS and BSE's Listing Centre is a web-based application designed for corporates. All periodical and other compliance filings are filed electronically on the NEAPS and Listing Centre.
- g) **Designated Exclusive Email ID:** The Company has designated Email Id [investor@dmcc.com](mailto:investor@dmcc.com) exclusively for shareholder/investor grievances redressal.

## 12. Disclosures

- a) **Code of Conduct:** The Board of Directors has adopted the Code of Business Conduct and Ethics for the Directors and the members of the

Senior Management. The said Code has been communicated to the Directors and the Members of the Senior Management. The Code has also been posted on the Company's website at [www.dmcc.com](http://www.dmcc.com).

- b) There was no non-compliance during the last three years by the Company on any matter related to Capital Market. Consequently, no penalties were imposed nor any strictures were passed on the Company by the Stock Exchanges i.e. BSE/NSE (on which the Company's equity shares are listed), SEBI or any other statutory authority.
- c) The Company has complied with all the mandatory requirements of SEBI Listing Regulations.
- d) **Commodity price risk or foreign exchange risk and hedging activities:** The details are provided in notes to the financial statements in the Annual Report.
- e) **Material Subsidiary:** During the year under review, the Company does not have a material subsidiary as per the criteria specified in the Listing Regulations. However, the Company has adopted a policy on material subsidiaries and the same is uploaded on the website of the Company which can be accessed through the web-link [https://www.dmcc.com/Media/pdf/DMCC\\_Policy\\_Determining-Material-Subsidiaries.pdf](https://www.dmcc.com/Media/pdf/DMCC_Policy_Determining-Material-Subsidiaries.pdf).
- f) **Related Party Transactions:** There were no materially significant related party transactions that may have potential conflict with the interest of the Company at large. The Register of Contracts for the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with related parties are disclosed in note number 40 of the notes forming part of Accounts, as per Ind AS 24. None of the related party's transactions are in conflict with the interests of the Company at large. RPT Policy on materiality and dealing with related party of the Company are posted on the Company's website at [https://www.dmcc.com/Media/pdf/Related-Party-Transactions-Policy\\_DMCC.pdf](https://www.dmcc.com/Media/pdf/Related-Party-Transactions-Policy_DMCC.pdf).

At every Board Meeting and Audit Committee Meeting, the Register of Contracts maintained under Section 189 of the Companies Act, 2013 is tabled and signed by the Directors.

- g) **Vigil Mechanism/Whistle Blower Mechanism:** Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of Listing Regulations, your Company has formulated Vigil Mechanism/Whistle Blower Policy to enable Directors and employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct, that could adversely impact the Company's operations, business performance and/or reputation, in a secure and confidential manner. The said policy provides adequate safeguards against the victimisation of Directors/employees and direct access to the Chairman of the Audit Committee. The Vigil Mechanism/



Whistle Blower Policy is available on the website of the Company under weblink [https://www.dmcc.com/Media/pdf/Whistle-Blower-Vigil-Mechanism\\_DMCC.pdf](https://www.dmcc.com/Media/pdf/Whistle-Blower-Vigil-Mechanism_DMCC.pdf).

Your Company affirms that no Director/Employee of the Company has been denied access to the Chairman of the Audit Committee and no complaint has been received during the year under review.

**h) Details of utilization of funds raised through preferential allotment or qualified institutional placement (QIP) as specified under Regulation 32(7A):**

This clause is not applicable to the Company as the Company has not raised any funds through preferential allotment and/or QIP.

**i) Certificate from a Company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority:**

**k) Total fees for all services paid by the Company and its subsidiary, on a consolidated basis, to M/s. Rahul Gautam Divan & Associates, Chartered Accountants and other firms in the network entity of which the statutory auditor is a part, as included in the consolidated financial statements of the Company for the year ended March 31, 2024, is as follows:**

Particulars	Amount (in ₹)
Audit Fees paid for the year 2023-24 - Rahul Gautam Divan & Associates, Chartered Accountants	12,75,000.00
Fees for Corporate Governance Certification	1,00,000.00
Fees for Limited Reviews	6,00,000.00
Fees for Certification of Consolidation	25,000.00
Other Services	1,60,000.00
Out of Pocket expenses for the year	46,000.00
<b>Total payments made during the year 2023-2024</b>	<b>22,06,000.00</b>

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

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as of end of the financial year	Nil

**m) Disclosure by the listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:**

During the year there were no loans and advances were given to the firms/companies in which directors are interested.

**n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:**

The Company has no material Subsidiary and hence this clause is not applicable.

The Company has obtained a certificate from Shri Satish Kumar Jain, Practicing Company Secretary of M/s SKJ & Associates, being Fellow Member No. FCS- 6398/CP- 6632 of the Institute of Company Secretaries of India, regarding confirmation that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board (i.e. SEBI)/ Ministry of Corporate Affairs or any such statutory authority. The requisite certificate from Shri Satish Kumar Jain, the secretarial auditor of the Company confirming compliance of the condition is annexed to the Report on Corporate Governance.

**j) Recommendation of the Committee:**

During FY 2023-24 the Board has accepted all recommendations made by the Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee.

### 13. CEO/CFO Certification

The Managing Director and Chief Executive Officer of the Company have furnished a certificate to the Board of Directors of the Company with respect to the accuracy of financial statements for the financial year ended March 31, 2024 and adequacy of internal controls as required in terms of Regulation 17(8) of the Listing Regulations, for the financial year 2023-24 was placed before the Board at its meeting held on May 23, 2024.

### 14. Reconciliation of Share Capital Audit

A qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted Capital with NSDL and CDSL and total issued and listed capital of the Company as per books. The Secretarial Audit report confirms that the total issued/paid-up capital is in accordance with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

### 15. Details of compliance with mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and adoption of the discretionary requirements of Regulation 27(1) read with Part E of Schedule II of the Listing Regulations

The Company is in compliance with the requirement of Corporate Governance Report of sub-para (2) to (10) of Para C of Schedule V of the Listing Regulations and all other mandatory provisions related to Corporate Governance pursuant to the requirement of the Listing Regulations.

The status of compliance with non-mandatory requirements of Regulation 27(1) read with Part E of Schedule II of the Listing Regulations are as under:

- a) **Non-Executive Chairman's Office:** The Company is having non-executive chairman. The Company does not incur any expenses for maintaining Chairman's office.
- b) **Shareholders' Rights:** As the half-yearly/yearly (including quarterly) financial performance are published in the newspapers and are also posted on the Company's website. The Company also used to report significant events to the stock exchange viz. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) from time to time. Hence, the same are not being sent to the shareholders.
- c) **Modified opinion(s) in Audit Report:** During the period under review, there are no audit qualifications in the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

d) **Separate posts of Chairman and CEO:** The Chairman of the Board is a Non-Executive Promoter Director and his position is separate from that of the Managing Director, and CEO of the Company. The Company is in compliance with the requirement. Shri Laxmikumar Narottam Goculdas is Non-Executive Promoter Chairman and Shri Bimal Lalitsingh Goculdas is the Managing Director, and CEO of the Company as per the Listing Regulations.

e) **Reporting of Internal Auditor:** The Company is having an Independent Internal Auditor (separate from the employees) viz. M/s Mahajan & Aibara, Chartered Accountants LLP, Mumbai. The Internal Auditors send their reports to the Managing Director, and CEO of the Company/Board/ Person authorised for this purpose and in turn, the reports are circulated to the members of the Audit Committee for their perusal.

### 16. The disclosures of the compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015

The Company is in compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015.

### 17. General Shareholder Information

#### a) Details of Annual General Meeting:

Wednesday, September 04, 2024

**Venue:** In accordance with the Circulars issued by MCA and SEBI, the AGM will be held through Video Conferencing (VC)/Other Audio Visual Means (OAVM) only. For details, please refer to the Notice of the AGM.

#### b) Financial Year: April 01 to March 31

c) **Dividend Payment Date:** Dividend of ₹ 1/- per Equity share of ₹ 10/- each fully paid up (10%) for the financial year 2023-24 has been recommended by the Board of Directors to Members for their approval. If approved by the Members, payment will be made within prescribed time of 30 days.

d) **Book Closure Date:** From Thursday, August 29, 2024 to Wednesday, September 04, 2024

e) **E-Voting Dates:** The cut-off date for the purpose of determining the shareholders eligible for e-Voting is August 28, 2024. The e-Voting commences on September 01, 2024 at 9.00 a.m. (IST) and ends on September 03, 2024 at 5.00 p.m. (IST).



**f) Name and address of Stock Exchange and Stock Code:**

<b>BSE Limited (BSE)</b>	<b>The National Stock Exchange of India Limited (NSE)</b>
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai-400051
<b>Scrip Code:</b> 506405	<b>NSE Symbol:</b> DMCC

**g) Demat ISIN:** INE505A01010

**h) Listing Fees:** The Company has paid the requisite Annual Listing fees to BSE Limited and National Stock Exchange of India Limited for the financial years 2023-24.

**i) Corporate Identity Number:** L24110MH1919PLC000564

**j) Stock Price Data & Performance in comparison to BSE and NSE Indices:**

The monthly high and low of market prices of the Company's Equity Shares traded during the financial year on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the BSE, NSE monthly high low Indices were as follows:

Month	(in ₹)							
	BSE Share Price		BSE Indices		NSE Share Price		NSE Indices	
	High	Low	High	Low	High	Low	High	Low
April 2023	298.00	236.50	61209.46	58793.08	296.35	237.80	18089.15	17312.75
May 2023	306.95	244.95	63036.12	61002.17	307.30	245.00	18662.45	18042.40
June 2023	346.90	240.00	64768.58	62539.14	346.80	240.10	19201.70	18464.55
July 2023	344.95	295.85	67619.17	64836.16	340.00	296.10	19991.85	19234.40
August 2023	365.10	302.80	66658.12	64723.63	365.00	302.00	19795.60	19223.65
September 2023	370.65	304.05	67927.23	64818.37	369.80	309.90	20222.45	19255.70
October 2023	336.00	256.05	66592.16	63092.98	337.20	269.95	19849.75	18837.85
November 2023	312.00	278.00	67069.89	63550.46	312.40	286.05	20158.70	18973.70
December 2023	333.95	283.00	72484.34	67149.07	334.00	283.10	21801.45	20183.70
January 2024	353.60	310.05	73427.59	70001.60	354.40	308.35	22124.15	21137.20
February 2024	340.00	291.75	73413.93	70809.84	342.90	291.20	22297.50	21530.20
March 2024	317.95	245.00	74245.17	71674.42	310.00	245.25	22526.60	21710.20

**Note:** The nominal Value of each Equity Share is ₹ 10/-.

**k) Registrar & Share Transfer Agents**

**Link Intime India Pvt. Ltd.**

(Unit: **DMCC Speciality Chemicals Limited**)

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

Tel No: +91 22 49186000 Fax: +91 22 49186060

E-mail id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

**l) Share Transfer System**

W.e.f. April 01, 2019, as per the SEBI press release dated March 27, 2019 the transfer of shares in done only in dematerialised mode except for transmission or transposition of securities. Transfer of equity shares in dematerialised form is done through the depositories without any involvement of the Company. The Board has constituted Stakeholders Relationship Committee which inter-alia approves share transmission, issue of duplicate share certificates, etc. as and when physical cases of transmissions/name deletion/issue of

duplicate share certificates are sent for approval by RTA. Pursuant to Regulation 40 of the Listing Regulations Shri. Omkar Chandrakant Mhamunkar, Company Secretary and Compliance Officer is authorised to approve shareholders request w.r.t. Transmission, Name Deletion, Transposition, Issue of Duplicate Shares; and handling all other request(s), grievance(s) of shareholders, including issuing necessary directions to the Registrar and Transfer Agent. The Company Secretary places reports on the Share Transmission, Issue of Duplicate Shares etc. before the Stakeholders Relationship Committee and to the Board of Directors from time to time. The Policy on investor Grievance Redressal is available on the website of the Company under weblink [https://www.dmcc.com/Media/pdf/Investor-Grievance-Policy\\_DMCC.pdf](https://www.dmcc.com/Media/pdf/Investor-Grievance-Policy_DMCC.pdf).

Further pursuant to SEBI Circular vide Ref. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 directs the Listed Companies to issue the securities in dematerialized

form only (vide Gazette Notification no. SEBI/LAD-NRO/GN/2022/66 dated January 24, 2022) while processing the service request for issue of duplicate securities certificate, claim from Unclaimed Suspense Account, Renewal/Exchange of securities certificate, Endorsement, Sub-division/Splitting of securities certificate,

Consolidation of securities certificates/folios, Transmission and Transposition;

Pursuant to Regulation 40(9) of the Listing Regulations, every year, a Company Secretary in practice undertakes an audit of the share transfer-related activities and the compliance certificate issued upon audit is submitted to BSE and NSE.

**m) Equity Shareholding Pattern and Distribution of Shares:**

Category of Shareholder	As on March 31, 2024	
	No. of Shares held	% of Shareholding
<b>A. Promoter &amp; Promoter Group</b>	13428614	53.844
<b>B. Public Shareholding</b>		
<b>Institution</b>		
Mutual Funds	2204	0.009
Foreign Portfolio Investor	438	0.002
Financial Institutions/Banks	306546	1.229
Insurance Companies	200	0.001
<b>Non-Institutions</b>		
Directors and their relatives (excluding Independent Directors and nominee Directors)	25710	0.103
Individuals	9143377	36.662
LLP	203375	0.815
Trust	301	0.001
Foreign Nationals	1028	0.004
HUF	1092473	4.380
NRI	297260	1.192
Clearing Members (in the depository)	155	0.001
Bodies Corporate	385574	1.546
Suspense Escrow	7	0.00
Unclaimed Shares	52671	0.211
<b>Total</b>	<b>24939933</b>	<b>100.00</b>

**Note:** As on March 31, 2024, total Foreign Shareholding including Non-Resident Indians was 9797562 shares, which in, percentage terms were 39.28% of the issued and subscribed capital, out of which 9498836 shares aggregating 38.09% of the total paid up capital represent Promoters' Holding and hence are included in Promoters' category.

**n) Distribution of Shareholding as on March 31, 2024.**

No. of Shares held	No. of Folios	Percentage	Total Shares	Percentage
1 to 500	19130	90.7883	1692207	6.7851
501 to 1000	862	4.0909	660898	2.6500
1001 to 2000	474	2.2495	705564	2.8291
2001 to 3000	203	0.9634	518120	2.0775
3001 to 4000	105	0.4983	372159	1.4922
4001 to 5000	54	0.2563	253008	1.0145
5001 to 10000	123	0.5837	890464	3.5704
10001 and above	120	0.5695	19847513	79.5813
<b>Total</b>	<b>21071</b>	<b>100.0000</b>	<b>24939933</b>	<b>100.0000</b>





**o) Dematerialisation of Shares and liquidity**

As on March 31, 2024, out of 24939933 Equity Shares of the Company, 23915663 Equity Shares representing 95.89% Equity Shares are held in dematerialized form (Including 17809 shares lying in Unclaimed Suspense Account and 7 shares lying in Suspense Escrow Demat Account) and 4.11% is held in Physical form. The Company's shares are actively traded on the Stock Exchange i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

**p) Outstanding GDR/ADR/warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs, Warrant or any convertible instruments, the conversion of which will have an impact on equity shares of the Company.

**q) Other Affirmations:** During the year securities of the Company were not suspended from trading.

**r) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or Abroad:**

As on March 31, 2024, CRISIL Rating Limited (Credit Rating Agency) has:

**i) Reaffirmed the Credit Rating for the bank facilities of the Company as under:**

Facilities	Amount	Rating
Total Bank Loan Facilities Rated	₹ 105.00 crores	Long-Term Rating: CRISIL BBB+/Stable (Reaffirmed)

**ii) Reaffirmed the Credit Rating for the Fixed Deposit Programme as under:**

Facilities	Amount	Rating
Fixed Deposit Programme	₹ 20.00 crores <sup>#</sup>	CRISIL BBB+/Stable (Reaffirmed)

<sup>#</sup> During the year the Amount of Fixed Deposit (FD) Programme of the Company was enhanced from ₹ 10.00 crores to ₹ 20.00 crores.

**s) Plant Locations:**

Roha	Dahej
105, MIDC Industrial Area, Audyogik Vasahat Post Office, Dhatav, Roha 402116, Dist. Raigad, Maharashtra.	Plot No. CH-5/1 G.I.D.C, Dahej Industrial Estate, Taluka: Vagra, Dist. Bharuch, Gujarat.

**t) The address of the correspondence:**

The Company Secretary

**DMCC Speciality Chemicals Limited**

(Formerly known as The Dharamsi Morarji Chemical Company Ltd.)

Prospect Chambers, 317/321, Dr. D. N. Road,

Fort, Mumbai - 400 001.

Tel: 022 2204 8881/2/3; Fax: 022 2285 2232

E-mail ID: [investor@dmcc.com](mailto:investor@dmcc.com)

Website: [www.dmcc.com](http://www.dmcc.com)

# Annexure I

## Declaration of compliance with the Code of Conduct

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board Members and Senior Management Personnel of DMCC Speciality Chemicals Limited (Formerly known as "The Dharamsi Morarji Chemical Company Limited") have affirmed compliance with the Code of Conduct for the year ended March 31, 2024.

For **DMCC SPECIALITY CHEMICALS LIMITED**  
(Formerly known as "The Dharamsi Morarji Chemical Company Limited")

**Bimal Lalitsingh Goculdas**  
Managing Director & CEO  
DIN: 00422783

**Place:** Mumbai  
**Date:** May 23, 2024

# Annexure II

## Certificate of Non-Disqualification of Directors

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

To  
The Members,  
**DMCC Speciality Chemicals Limited**  
(Formerly known as "The Dharamsi Morarji Chemical Company Limited")

This certificate is issued pursuant to clause of (10)(i) of part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

On the basis of documents and explanations given to us by the Company/Director, we hereby certify that **none** of the following directors on the Board of **DMCC Speciality Chemicals Limited (Formerly known as "The Dharamsi Morarji Chemical Company Limited")** ("the Company") have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI, Ministry of Corporate Affairs or any other Statutory Authority as on March 31, 2024:

* Mr. Laxmikumar Narottam Goculdas	(DIN: 00459347)
* Mr. Bimal Lalitsingh Goculdas	(DIN: 00422783)
* Mr. Madhu Thakorlal Ankleshwaria	(DIN: 02753794)
* Ms. Mitika Laxmikumar Goculdas	(DIN: 02879174)
* Mr. Sanjeev Vishwanath Joshi	(DIN: 00392020)
* Mr. Mukul Manoharlal Taly	(DIN: 01334360)
* Mr. Dilip Trimbak Gokhale	(DIN: 06734397)
* Mrs. Janaki Ashwin Patwardhan	(DIN: 09180182)

For **SKJ & Associates**  
Company Secretaries

**Satish Kumar Jain**  
Proprietor  
(FCS: 6398/PCS:6632)  
UDIN: F006398F000163973

**Place:** Mumbai  
**Date:** April 18, 2024

# Auditors Report on Corporate Governance

To,  
The Members of  
**DMCC Speciality Chemicals Limited**  
(Formerly known as "The Dharamsi Morarji Chemical Company Limited")

1. The Corporate Governance Report prepared by DMCC Speciality Chemicals Limited (Formerly known as "The Dharamsi Morarji Chemical Company Limited") (hereinafter the "Company"), contains details as stipulated at Para C of Schedule V in terms of Regulations 34(3) and 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2024.
  - i) Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
  - ii) Obtained and verified that the composition of the Board of Directors with regards to executive and non-executive directors has been met throughout the reporting period;
  - iii) Obtained and read the Directors Register as on March 31, 2024 and verified that at least one women director was on the Board during the year;

## Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
  - iv) Obtained and read the minutes of the following meetings held from April 01, 2023 to March 31, 2024:
    - (a) Board of Directors meeting;
    - (b) Audit Committee;
    - (c) Annual General meeting;
    - (d) Nomination and Remuneration Committee;
    - (e) Independent Directors Committee;
    - (f) Stakeholders Relationship Committee;
    - (g) Corporate Social Responsibility Committee;
    - (h) Risk Management Committee
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

## Auditors Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
  - v) Obtained necessary representations and declarations from directors of the Company including the Independent Directors; and
  - vi) Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

## Opinion

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
  8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2024, referred to in paragraph 1 above.

## Other matters and Restriction on Use

9. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **Rahul Gautam Divan & Associates**  
ICAI Firm Registration No.: 120294W  
Chartered Accountants

**Rahul Divan**  
Partner  
Membership No.: 100733  
UDIN: 24100733BKFLWH9836

**Place:** Mumbai  
**Date:** May 23, 2024

# Independent Auditors Report

To The Members of **DMCC Speciality Chemicals Limited** (formerly known as The Dharamsi Morarji Chemical Company Limited)

## Report on the Audit of the Standalone Ind AS Financial

### Opinion

We have audited the accompanying Standalone Ind AS financial statements of **DMCC Speciality Chemicals Limited** (formerly known as The Dharamsi Morarji Chemical Company Limited) ("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 Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditors responsibilities for the audit of the Standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Ind AS financial statements.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1.	<p><b>Litigations and claims</b></p> <p>(Refer to note 32 to the Standalone Ind AS financial statements)</p> <p>These cases are pending with multiple tax authorities like Income Tax, Excise, Service tax etc. and labour law cases which have not been acknowledged as debt by the Company.</p> <p>In normal course of business, financial exposures may arise from pending proceedings not acknowledged as debt by the Company. Whether a claim needs to be recognized as liability or disclosed as contingent liability in the Standalone Ind AS financial statements is depended on a number of significant assumptions and judgements. The amount involved are potentially significant and determining the amount, if any, to be recognized or disclosed in the Standalone Ind AS financial statements, is inherently subjective.</p>	<p><b>Principal Audit Procedures</b></p> <ul style="list-style-type: none"> <li>» Evaluation of management's judgement of tax risks, estimates of tax exposures, each claims and contingencies. Third party opinions, past and current experience with the tax authority and management's response including on the labour law cases were used to assess the appropriateness of management's best estimate of most likely outcome of each uncertain contingent liability.</li> <li>» Discussing selected matters with the entity's management.</li> <li>» Critically assessing the entity's assumptions and estimates in respect of claims, included in the contingent liabilities disclosed in the Standalone Ind AS financial statements. Assessment of the probability of negative result of litigation and the reliability of estimates of related obligation.</li> </ul>

Sr. Key audit matters No.	How our audit addressed the key audit matter
<p>We have Considered Litigation and claims as Key Audit Matter as it requires significant management judgement, including accounting estimation uncertainty.</p>	<p>» Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation &amp; disclosure on the subject matter in the Standalone Ind AS financial statements.</p>
<p><b>2. Revenue Recognition</b> (as described in note 2.11 of the Standalone Ind AS financial statements)</p> <p>For the year ended March 31, 2024 the Company has recognized revenue from contracts with customers amounting to ₹ 32,055.36 lakhs. Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that as principal, it typically controls the goods before transferring them to the customer.</p> <p>The variety of terms that define when control are transferred to the customer, as well as the high value of the transactions, give rise to the risk that revenue is not recognized in the correct period.</p> <p>Revenue is measured net of returns and allowances, cash discounts, trade discounts and volume rebates (collectively 'discount and rebates'). There is a risk that these discount and rebates are incorrectly recorded as it also requires a certain degree of estimation, resulting in understatement of the associated expenses and accrual.</p> <p>Revenue is also an important element of how the Company measures its performance. The Company focuses on revenue as a key performance measure, which could create an incentive for revenue to be recognized before the risk and rewards have been transferred.</p> <p>Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it was determined to be a key audit matter in our audit of the Standalone Ind AS financial statements.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit procedures included the following:</p> <p>» Assessed the Company's revenue recognition policy prepared as per Ind AS 115 'Revenue from contracts with customers'.</p> <p>» Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition, discounts and rebates.</p> <p>» Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. Further, in respect of the samples checked that the revenue has been recognized as per the shipping terms.</p> <p>» To test cut off selected sample of sales transactions made pre-and post-year end, agreeing the period of revenue recognition to third party support, such as transporter invoice and customer confirmation of receipt of goods.</p> <p>» Tested the provision calculations related to management incentives, discounts and rebates by agreeing a sample of amounts recognized to underlying arrangements with customers and other supporting documents.</p> <p>» Performed monthly analytical procedures of revenue by streams to identify any unusual trends.</p> <p>» Obtained confirmations from customers on sample basis to support existence assertion of trade receivables and assessed the relevant disclosures made in the financial statements; to ensure revenue from contracts with customers are in accordance with the requirements of relevant accounting standards.</p>
<p><b>3. Assessment of net realizable value (NRV) of inventories</b> (Refer Note 7 and 2.9 to the standalone financials statements).</p> <p>The Company's inventory comprises Raw Materials, Packing Materials, Work-in-Process, Finished Goods and Stores and Spares.</p> <p>Inventories of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat amounting to ₹ 4,408.20 lakhs (Previous Year - ₹ 5,268.95 lakhs) (Refer Note 7) are offered as security by of hypothecation of Raw Materials, Finished Goods, Working in process, Packing Materials, Stores, Book Debts and Receivable for working capital facility provided by Banks.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit procedures included the following:</p> <p>» Read and evaluated the accounting policies with respect to inventories.</p> <p>» Understood and evaluated the design and implementation and tested the operating effectiveness of the Company's internal financial control over valuation of inventories.</p> <p>» Tested on a sample basis that inventories are held at lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.</p>



Sr. No.	Key audit matters	How our audit addressed the key audit matter
		<ul style="list-style-type: none"> <li>» Cost of Finished goods and work in progress include materials cost, cost of conversion, depreciation, other overheads to the extent applicable but excluding borrowing costs.</li> <li>» Based on the above procedures performed, we considered the management’s assessment of valuation of inventories at lower of cost and NRV to be reasonable.</li> </ul>

We have determined that there are no other key audit matters to communicate in our report.

**Information Other than the Financial Statements and Auditors Report Thereon**

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report 2023-24, but does not include the Standalone Ind AS financial statements and our auditor’s report thereon.

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

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Standalone Ind AS 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 Standalone Ind AS Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company’s financial reporting process.

**Auditors Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

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

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

- » Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- » Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.





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

Materiality is the magnitude of misstatement in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the result of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2024 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 (Auditors Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

### 2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"** to this report;
- (g) 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:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements – Refer Note 32 to the Standalone Ind AS financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
  - iv. (i) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note to the accounts, 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 person(s) or entity(ies), including foreign entities

- (intermediaries), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note to the accounts, no funds have been received by the Company from in any other person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. There is no dividend declared or paid during the period by the Company and hence provisions of Section 123 of the Companies Act, 2013 are not applicable.
- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 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 softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 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.
- (h) With respect to the other matters to be included in the Auditors Report in accordance with the requirements of Section 197(16) of the Act, as amended:
- The Company has paid remuneration to its Executive Directors in excess of the limits specified in Section 197 of the Act for the Financial Year 2023-2024 as the Company has inadequate profits in terms of Section 198 of the Act. As per the explanations provided to us, the Company is in the process of complying with the prescribed statutory requirements to regularize such excess payment, including seeking approval of the shareholders, as necessary.

For **Rahul Gautam Divan & Associates**  
ICAI Firm registration number: 120294W  
Chartered Accountants

**Rahul Divan**  
Partner  
Membership No.: 100733  
UDIN: 24100733BKFLWI8397

**Place:** Mumbai  
**Date:** May 23, 2024

# Annexure 'A'

Referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date.

Re: **DMCC Speciality Chemicals Limited** (formerly known as The Dharamsi Morarji Chemical Company Limited) ("the Company")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Property, Plant & Equipment have been physically verified by the management according to a programme of verification which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) (a) As per the information and explanations given to us, the inventories held by the Company have been physically verified by the management. In our opinion, having regard to the nature and the location of the stock, the frequency of the physical verification is reasonable and no discrepancies of 10% or more in aggregate for each class of inventory were noticed on physical verification.
- (b) Based on our examination of the records provided by the management, the Company has Bank overdraft facilities which are secured against fixed deposits. The Company is not required to submit any quarterly returns or statements to the banks and hence reporting under this clause is not applicable to the Company.
- (iii) The Company has not granted any secured or unsecured loans to companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore the requirements of sub-clause (a), (b) and (c) of clause (iii) are not applicable to the Company.
- (iv) There are no loans given, no investments made, no guarantees given, and no security given by the Company in terms of provisions of Section 185 and 186 of the Companies Act, 2013.
- (v) The Company has accepted fresh Deposits of ₹ 53.25 lakhs during the year which are in accordance with the provision of Section 73 to 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Second Amendment Rules, 2017.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income tax, duty of excise, duty of custom, sales tax, ESI and employees' state insurance on account of any dispute, is as follows:

Name of the Statute	Nature of Dues	Amount (₹) in lakhs	Period to which	Forum where dispute is pending
Customs Act, 1962	Differential Duty	1,433.00	2004-05 to 2008-09	CESTAT Mumbai
Customs Act, 1962	Duty	121.60	2005-06 to 2007-08	CESTAT Mumbai
<b>Total</b>		<b>1,554.60</b>		

- (viii) There were no transactions which were not recorded in the books of account that have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961). defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any

bank or financial institution or government or government authority.

- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose 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 of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates as defined in the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associates, as defined under the Act.
- (x) (a) No money was raised by way of initial public offer or further public offer (including debt instruments) during the year hence reporting under this clause is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or operationally convertible) during the year.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or 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 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) Based on examination of the books and records of the Company and according to the information and explanations given to us, Company has not
- received any whistle-blower complaint during the year.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) In our opinion and the records examined by us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the report of the internal auditors for the period under audit.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.
- (xvii) The Company has not incurred any cash losses in financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts



up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) There is no unspent amount of Corporate Social Responsibility (CSR) other than towards ongoing projects, requiring transfer to a fund as specified

in Schedule VII of the Companies Act. Accordingly reporting clause 3(xx)(a) of the order is not applicable for the year and;

- (b) The Company does not have any amount remaining unspent, pursuant to any ongoing projects, requiring transfer to special account. Accordingly reporting clause 3(xx)(b) of the order is not applicable for the year.

For **Rahul Gautam Divan & Associates**  
ICAI Firm registration number: 120294W  
Chartered Accountants

**Rahul Divan**

Partner

Membership No.: 100733

UDIN: 24100733BKFLWI8397

**Place:** Mumbai

**Date:** May 23, 2024

# Annexure 'B'

## To independent Auditors Report

(Annexure referred to under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date.)

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

We have audited the internal financial controls over financial reporting of **DMCC Speciality Chemicals Limited** (formerly known as The Dharamsi Morarji Chemical Company Limited) ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial

controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### Meaning of Internal Financial Controls Over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

## Opinion

In our opinion, the Company has, in all material respects, 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.

For **Rahul Gautam Divan & Associates**

ICAI Firm registration number: 120294W

Chartered Accountants

### **Rahul Divan**

Partner

Membership No.: 100733

UDIN: 24100733BKFLW18397

**Place:** Mumbai

**Date:** May 23, 2024

# Standalone Balance Sheet

As at March 31, 2024

(₹ in lakhs)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	3 (a)	22,313.81	21,431.91
(b) Capital work-in-progress	3 (b)	588.91	1,133.41
(c) Goodwill		1,465.10	1,465.10
(d) Other Intangible Assets	3 (a)	21.46	31.35
(e) Right of Use Assets	34	11.93	23.86
(f) Other Non-Current Financial Assets			
(i) Non-Current Investments	4	53.96	55.78
(ii) Other Non-Current Assets	5	475.38	698.61
(g) Deferred Tax Assets (Net)	6	1,255.17	1,523.59
<b>Total Non-Current Assets</b>		<b>26,185.72</b>	<b>26,363.61</b>
<b>(2) Current Assets</b>			
(a) Inventories	7	4,408.20	5,268.95
(b) Financial Assets			
(i) Trade Receivables	8	4,557.34	5,201.58
(ii) Cash and Cash Equivalents	9	247.18	133.81
(iii) Bank Balances Other Than Cash and Cash Equivalents	10	86.30	85.31
(vi) Others Current Financial Assets	11	424.92	176.77
(c) Current Tax Assets (Net)	12	36.21	138.59
(d) Other Current Assets	13	1,741.35	2,669.49
<b>Total Current Assets</b>		<b>11,501.50</b>	<b>13,674.50</b>
<b>Total Assets</b>		<b>37,687.22</b>	<b>40,038.11</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	2,493.99	2,493.99
(b) Other Equity	15	18,421.78	17,295.94
<b>Total Equity</b>		<b>20,915.77</b>	<b>19,789.93</b>
<b>Liabilities</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Long Term Borrowings	16	5,776.66	6,760.56
(ii) Long Term Lease Liabilities	34	14.08	23.67
(b) Long Term Provisions	17	220.50	184.76
(c) Other Non-Current Liabilities	18	58.06	57.87
<b>Total Non-Current Liabilities</b>		<b>6,069.30</b>	<b>7,026.86</b>
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Short Term Borrowings	19	730.90	1,357.13
(ii) Short Term Lease Liabilities	34	0.73	3.93
(iii) Trade payables	20		
(a) Due to Micro & Small Enterprises		261.66	78.71
(b) Due to Other than Micro & Small Enterprises		6,216.76	8,113.61
(iv) Other financial liabilities	21	3,120.22	3,298.73
(b) Other current liabilities	22	322.47	337.19
(c) Provisions	23	49.41	32.02
<b>Total Current Liabilities</b>		<b>10,702.15</b>	<b>13,221.32</b>
<b>Total Liabilities</b>		<b>16,771.45</b>	<b>20,248.18</b>
<b>Total Equity and Liabilities</b>		<b>37,687.22</b>	<b>40,038.11</b>

Significant accounting policies and notes to Financial Statements (Note 2)

The accompanying notes referred to above which form an integral part of the Financial Statements

For **Rahul Gautam Divan & Associates**  
ICAI Firm registration number: 120294W  
Chartered Accountants

For and on behalf of the Board of Directors

**Rahul Divan**  
Partner  
Membership No.: 100733

**L.N. Goculdas**  
Chairman  
DIN: 00459347

**B.L. Goculdas**  
Managing Director & CEO  
DIN: 00422783

**S. V. Joshi**  
Independent Director  
DIN: 00392020

**Place:** Mumbai  
**Date:** May 23, 2024

**Sunil Kumar Goyal**  
Chief Financial Officer

**O. C. Mhamunkar**  
Company Secretary



# Standalone Statement of Profit and Loss

For the year ended March 31, 2024

(₹ in lakhs)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>			
Revenue from Operations	24	32,791.99	38,651.59
Other Income	25	1,029.35	279.67
<b>Total Income</b>		<b>33,821.34</b>	<b>38,931.26</b>
<b>Expenses</b>			
Cost of Raw Materials Consumed	26	19,550.67	25,968.52
Purchase of Stock-in-Trade	27	-	-
Changes in Inventories of Finished Goods and Work-in-Progress	28	475.80	(1,176.63)
Employee Benefits Expenses	29	2,379.47	2,387.30
Finance costs	30	1,375.73	1,058.02
Depreciation and amortization expense	3(a)	1,568.83	1,758.17
Other Expenses	31	6,748.69	7,885.67
<b>Total Expense</b>		<b>32,099.19</b>	<b>37,881.05</b>
<b>Profit before tax</b>		<b>1,722.15</b>	<b>1,050.21</b>
<b>Tax Expense</b>			
Current Tax		295.18	187.91
Deferred Tax		269.89	176.63
		<b>565.07</b>	<b>364.54</b>
<b>Profit for the year</b>		<b>1,157.08</b>	<b>685.67</b>
<b>Other Comprehensive Income</b>			
<b>(a)</b> (i) Items that will not be reclassified to profit or loss		(32.70)	25.27
(ii) Income tax relating to items that will not be reclassified to Profit & Loss		1.46	(4.42)
<b>(b)</b> (i) Items that will be reclassified to Profit and Loss		-	(0.73)
(ii) income Tax relating to Items that will be reclassified to Profit and Loss		-	-
<b>Total Other Comprehensive Income</b>		<b>(31.24)</b>	<b>20.12</b>
<b>Total Comprehensive Income for year</b>		<b>1,125.84</b>	<b>705.79</b>
<b>Earnings per equity share (FV ₹ 10/- per share)</b>			
Basic & Diluted (in ₹) - Refer Note 36		4.64	2.75

Significant accounting policies and notes to Financial Statements (Note 2)

The accounting notes referred to above which form an interegral part of the Financial Statement.

For **Rahul Gautam Divan & Associates**  
ICAI Firm registration number: 120294W  
Chartered Accountants

For and on behalf of the Board of Directors

**Rahul Divan**  
Partner  
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**L.N. Goculdas**  
Chairman  
DIN: 00459347

**B.L. Goculdas**  
Managing Director & CEO  
DIN: 00422783

**S. V. Joshi**  
Independent Director  
DIN: 00392020

**Place:** Mumbai  
**Date:** May 23, 2024

**Sunil Kumar Goyal**  
Chief Financial Officer

**O. C. Mhamunkar**  
Company Secretary

# Standalone Cash Flow Statement

For the year ended March 31, 2024

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Net Profit before tax</b>	<b>1,722.15</b>	<b>1,050.20</b>
<b>Add:</b>		
1 Depreciation and amortisation	1,568.83	1,758.17
2 Interest charged	1,375.74	1,058.02
3 Unrealised Foreign Exchange Loss/(Gain)	41.69	313.53
4 (Gain)/Loss on sale of Investments	(844.28)	(98.67)
5 (Gain)/Loss on sale of PPE	(2.83)	(20.66)
	<b>2,139.15</b>	<b>3,010.39</b>
<b>Less:</b>		
1 Interest Income	37.13	13.33
2 Dividend Income	3.94	2.03
3 Increase/(decrease) in Value of Investment	-	(0.08)
	<b>41.07</b>	<b>15.28</b>
<b>Operating Profit before change in working capital</b>	<b>3,820.23</b>	<b>4,045.31</b>
<b>Working capital changes:</b>		
<b>Add/(Less):</b>		
1 (Increase)/Decrease in inventories	860.75	(1,069.93)
2 (Increase)/Decrease in trade receivables	602.54	(539.41)
3 (Increase)/Decrease in other financial assets	(248.15)	(107.55)
4 (Increase)/Decrease in other non-current assets	223.23	(321.93)
5 (Increase)/Decrease in other current assets	928.15	355.34
6 Increase/(Decrease) in trade payables	(1,713.87)	1,189.62
7 Increase/(Decrease) in other long term liabilities	0.19	0.86
8 Increase/(Decrease) in other current financial liabilities	(458.50)	(178.33)
9 Increase/(Decrease) in other current liabilities	(14.72)	(95.97)
10 Increase/(Decrease) in current provisions	17.38	18.15
11 Increase/(Decrease) in non-current provisions	4.50	1.04
	<b>201.50</b>	<b>(748.11)</b>
<b>Cash generated from operations</b>	<b>4,021.73</b>	<b>3,297.20</b>
<b>Add/(Less):</b>		
Direct taxes paid (Net of refunds)	(194.27)	(299.37)
<b>Net Cash inflow from Operating Activities (A)</b>	<b>3,827.46</b>	<b>2,997.83</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
<b>Add:</b>		
1 Proceeds from sale of Property, Plant & Equipment	2.83	20.66
2 Proceeds from sale of Investment	846.25	98.67
3 Interest received	37.13	13.33
4 Dividend received	3.94	2.03
	<b>890.15</b>	<b>134.69</b>
<b>Less:</b>		
1 Purchase of Property, Plant & Equipment/increase in Capital WIP	(1,894.00)	(2,190.56)
2 Purchase of Investment	(0.15)	-
	<b>(1,894.15)</b>	<b>(2,190.56)</b>
<b>Net Cash inflow from Investing Activities (B)</b>	<b>(1,004.00)</b>	<b>(2,055.87)</b>
<b>C CASH FLOW FROM FINANCIAL ACTIVITIES:</b>		
<b>Add:</b>		
1 Proceeds/(Repayment) from borrowings Net of repayment (Current)	(626.23)	(412.58)
2 Proceeds/(Repayment) from borrowings Net of repayment (Non-Current)	(704.27)	735.14
3 Increase in Restricted Bank Balances other than cash & cash equivalents	(0.99)	(14.53)
	<b>(1,331.49)</b>	<b>308.03</b>
<b>Less:</b>		
1 Interest and other finance costs	(1,378.60)	(1,058.02)
2 Payment of Equity Dividend	-	(249.40)
	<b>(1,378.60)</b>	<b>(1,307.42)</b>
<b>Net Cash inflow from Financing Activities (C)</b>	<b>(2,710.09)</b>	<b>(999.39)</b>
I. Net (decrease)/increase in cash and cash equivalents	113.37	(57.43)
II. <b>Add:</b> Cash and cash equivalents at the beginning of the period	133.81	191.23
III. Cash and cash equivalents at the end of the period	<b>247.18</b>	<b>133.81</b>

## Reconciliation forming Statement of Cash Flows

(₹ in lakhs)

Particular	For the year ended March 2024	For the year ended March 2023
Opening balance	10,086.79	9,301.31
Cash inflow/(Outflow) of non-current borrowing	(983.89)	735.14
Cash inflow/(Outflow) of current borrowing	(346.60)	50.34
Closing Balance	8,756.30	10,086.79

For **Rahul Gautam Divan & Associates**  
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Chartered Accountants

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**L.N. Goculdas**  
Chairman  
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**B.L. Goculdas**  
Managing Director & CEO  
DIN: 00422783

**S. V. Joshi**  
Independent Director  
DIN: 00392020

**Place:** Mumbai  
**Date:** May 23, 2024

**Sunil Kumar Goyal**  
Chief Financial Officer

**O. C. Mhamunkar**  
Company Secretary

# Standalone Statement of Changes in Equity

For the year ended March 31, 2024

## A. Equity Share Capital

Particular	No. of Shares	₹ in lakhs
Balance as at March 31, 2023	2,49,39,933	2,493.99
Changes in equity share capital during FY 2023-24	-	-
Balance as at March 31, 2024	2,49,39,933	2,493.99

## B. Other Equity

(₹ in lakhs)

Particular	Reserves and Surplus					Total
	Securities Premium Reserve	Capital Redemption Reserve	Other Reserves	Retained Earnings	Other items of Other Comprehensive Income	
Balance at March 31, 2023	1,714.81	280.00	66.59	15,118.06	116.48	17,295.94
Profit for the year	-	-	-	1,157.08	-	1,157.08
Other Comprehensive Income	-	-	-	-	(31.24)	(31.24)
<b>Total Comprehensive Income (Net of Tax)</b>	<b>1,714.81</b>	<b>280.00</b>	<b>66.59</b>	<b>16,275.14</b>	<b>85.24</b>	<b>18,421.78</b>
Equity Dividend Paid	-	-	-	-	-	-
Balance at March 31, 2024	1,714.81	280.00	66.59	16,275.14	85.24	18,421.78

(₹ in lakhs)

Particular	Reserves and Surplus					Total
	Securities Premium Reserve	Capital Redemption Reserve	Other Reserves	Retained Earnings	Other items of Other Comprehensive Income	
Balance at March 31, 2022	1,714.81	280.00	66.59	14,681.79	96.36	16,839.55
Profit for the year	-	-	-	685.67	-	685.67
Other Comprehensive Income	-	-	-	-	20.12	20.12
<b>Total Comprehensive Income (Net of Tax)</b>	<b>1,714.81</b>	<b>280.00</b>	<b>66.59</b>	<b>15,367.46</b>	<b>116.48</b>	<b>17,545.34</b>
Equity Dividend Paid (Including Dividend Distribution Tax)	-	-	-	(249.40)	-	(249.40)
Balance at March 31, 2023	1,714.81	280.00	66.59	15,118.06	116.48	17,295.94

Significant accounting policies and notes to Financial Statements (Note 2)

For **Rahul Gautam Divan & Associates**  
ICAI Firm registration number: 120294W  
Chartered Accountants

For and on behalf of the Board of Directors

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DIN: 00392020

**Place:** Mumbai  
**Date:** May 23, 2024

**Sunil Kumar Goyal**  
Chief Financial Officer

**O. C. Mhamunkar**  
Company Secretary

# Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2024

## Note 1: Corporate Information

**DMCC Speciality Chemicals Ltd** (formerly known as The Dharamsi Morarji Chemical Company Limited) is a Public Limited Company domiciled in India. Its equity shares are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange (NSE). The registered office of the Company is located at 317/21, Prospect Chambers, Dr. D.N. Road, Fort, Mumbai-400001. The Company is engaged in the business of manufacturing and selling of Commodity Chemicals and Speciality Chemicals.

Information on related party relationships of the Company is provided in Note-40.

The financial statements are authorised for issue in accordance with a resolution of the Board of Directors on May 23, 2024.

## Note 2: Significant Accounting Policies

### 2.1 Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendments) Rules, 2016.

The financial statements have been prepared on a historical cost basis using the accrual method of accounting basis, except for the following assets and liabilities which have been carried at fair value:

Land classified as property, plant and equipment.

Derivative financial instruments i.e. Forward Contracts.

Certain financial assets and financial liabilities measured at fair value.

The Financial Statements are presented in Indian Rupees (INR) and all values are recorded to the nearest lakhs. (INR '00,000) except otherwise indicated.

### 2.2 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### 2.3 Property, plant and equipment

#### a) Property, plant and equipment:

Property, Plant and equipment were carried in the balance sheet prepared in accordance with Indian GAAP on the basis of their historical cost less accumulated depreciation and impairment as on the date of transition i.e. April 01, 2016. The Company has elected to regard those written down values as deemed cost as at the date of the transition as per the option available to the Company, as fair value, while adopting Ind

AS for the first time except for certain Land acquired by the Company upon merger of erstwhile Borax Morarji Limited has been stated at fair value as per the valuation report obtained by the Company.

Property, Plant and Equipment are stated at cost of acquisition or construction, including attributable interest and financial costs till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.

The expenditure incurred during the period of construction (including cost of trial runs, stores issued, expenses on labour allocated for such purpose) is debited to capital work-in-progress and on completion, the costs are allocated to the respective items of Property, Plant and Equipment. Interest on specific borrowings relating to acquisition of fixed assets is capitalised up to the date of commissioning.

#### Derecognition:

An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

#### b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is measured at their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.



**Derecognition:**

An item of intangible initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

**2.4 Depreciation/Amortization**

Depreciation on all items of Property, Plant and Equipment is provided for on Straight Line basis over the estimated useful life specified in schedule II to the Companies Act, 2013.

Depreciation on additions and deletions during the year is provided on pro-rata basis.

Cost of leasehold land is amortised over the period of lease.

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

**2.5 Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. 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.

**2.6 Non-Current Assets held for Sale**

Non-current assets are classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less cost to sale. Losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognised in the Statement of Profit and Loss. Once classified as held for sale, Property, plant and Equipment and Intangible Assets are no longer depreciated or amortized.

**2.7 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended period when active development activities on the qualifying assets is interrupted. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**2.8 Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a lessee**

The Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the useful life of the asset or the balance lease term of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset shall be separately presented in the Balance Sheet and lease payments shall be classified as financing cash flows.

**2.9 Inventories**

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- \* Raw materials purchase cost on a weighted average basis;
- \* Cost of Finished goods and work in progress include materials cost, cost of conversion, depreciation, other overheads to the extent applicable but excluding borrowing costs.



## 2.10 Trade receivables

Trade receivables are carried at original invoice amount less any provisions for doubtful debts. For the Expected Credit Loss (ECL) simplified approach is adopted by the Company as permissible. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision available and then to the income statement.

## 2.11 Revenue recognition

Revenue from sale of goods is recognized at the fair value of the consideration received or receivable, net of returns and trade discounts, rebates, GST.

Revenue from contract with customers is recognised when control of the goods are transferred to the customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.

Goods sold on consignment are recorded as inventory until goods are sold by the consignee to the end customer.

Export benefits available under prevalent schemes are accounted to the extent considered receivable. These are presented as other operating income in the Statement of Profit & Loss.

Earning from sale of power generated from Wind Mills is accounted for on tariff rate agreed and as per Power Purchase agreement with respective Electricity Board.

Royalty and service income are recognized on an accrual basis in accordance with the terms of the relevant contractual agreement.

Interest income is recognised on accrual basis.

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Dividend income on investment is recognized in the Statement of Profit and Loss Account on the date on which the Company's right to receive is established.

The Company earns revenue primarily from sale of products.

## 2.12 Foreign Exchange Transactions

Transactions in foreign currencies are initially recorded by the Company at the rate prevalent on the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the closing rates of exchange at the reporting date.

Differences arising on settlement or year end conversion of monetary items are recognised in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are converted using the exchange rates at the dates of the initial transactions.

## 2.13 Employee Benefits

### Contribution Plans:

Contributions to the Company's Provident Fund, Family Pension Fund, Superannuation Fund are being charged to the Statement of Profit and Loss.

### Benefits Plans:

The Company has the scheme which enables employees to encash the accumulated privilege leave (upto stipulated limits) on retirement. The 'Company's liability in respect of this leave encashment scheme is determined on the basis of actuarial valuation and the same is charged to the Statement of Profit & Loss and is unfunded. Gratuity Benefits (based on actuarial valuation) is charged to Statement of Profit & Loss and is unfunded.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The service cost and the net interest cost are charged to the Statement of Profit and Loss. Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the actuarial assumptions used for valuation. The Company recognizes these re-measurements in the Other Comprehensive Income (OCI).

## 2.14 Taxes

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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

### Deferred tax

Significant management judgment is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax could change if estimates of projected future taxable income or if tax regulations undergo a change.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is reviewed at each reporting date.

The benefit of credit against the payment made towards Minimum Alternate Tax for the earlier years is available in accordance with the provisions of the Section 115JAA of Income Tax Act, 1961 over the period of subsequent 15 assessment year. The Company recognises MAT Credit Available as an Asset only to the extent that there is convincing evidence that the Company will pay Normal Income Tax during the specified period, i.e. the period for which MAT Credit is allowed to be carried forward. The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does

not have convincing evidence that it will pay normal tax during the specified period.

## 2.15 Provisions, Contingent Liabilities and Contingent Assets

### Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss.

### Contingent Liabilities

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

### Contingent Assets

Contingent Assets are only disclosed when it is probable that the economic benefits will flow to the Company.

## 2.16 Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

## 2.17 Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred (measured at acquisition date at fair value) and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain

purchase, the Company recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

## 2.18 Current and Non-Current Classification

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

### An asset as current when it is:

- \* Expected to be realised or intended to be sold or consumed in normal operating cycle;
- \* Held primarily for the purpose of trading;
- \* Expected to be realised within twelve months after the reporting period; or
- \* Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non-Current.

### A liability is current when:

- \* It is expected to be settled in normal operating cycle;
- \* It is held primarily for the purpose of trading;
- \* It is due to be settled within twelve months after the reporting period; or
- \* There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as Non-Current.

Deferred tax assets and liabilities are classified as Non-Current Assets and Non-Current liabilities, as the case may be.

## 2.19 Financial Instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

### a) Financial Assets

#### Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.





## Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

### (i) Financial assets

#### Cash and bank balances

Cash and bank balances consist of:

- Cash and Cash equivalents - which includes Cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of Cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.
- Other bank balances - which includes balances and deposits with banks that are restricted for withdrawal and usage.

#### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Investment in Subsidiaries

Investment in Subsidiaries is carried at cost in the financial statements.

#### Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income. The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

#### De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the

risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset.

## b) Financial Liabilities and Equity Instruments

### Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

### Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs, if any.

### Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, during the effective interest rate method where the time value of money is significant. Interest bearing issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

### Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit accounts and derivative financial instruments like Forward Cover Contracts.

Financial liabilities are classified, at initial recognition, as at fair value through profit and loss or as those measured at amortised cost.

### Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

#### Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading.

The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss.

### De-recognition of Financial Liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expired.

## 2.20 Derivative Financial Instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts generally to mitigate the risk of changes in exchange rates on foreign currency

exposures. The counter party for these contracts is generally a bank and these are generally designated as hedges. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss. Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss. Assets/liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date. The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

## 2.21 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: (i) In the principal market for the asset or liability, or (ii) In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 -** Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 -** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 -** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable for assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company's management determine the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair

value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verify the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## 2.22 Investment Properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on evaluation every three years performed by an accredited external independent valuer, at every 3 years rest, by applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

## 2.23 Cash & Cash equivalents and Short Term deposits

Cash and Cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

## 2.24 Research and Development Costs

Research costs are expensed as incurred. Development expenditure on an individual project are recognized as an Intangible asset when the Company can demonstrate; (i) Technical feasibility of completing the intangible asset so that the asset will be available for use or sale (ii) It's intention to complete and its ability and intentions to use or sell the asset (iii) How the asset will generate future economic benefits (iv) the availability of resources to complete the asset (v) the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized



over the period of expected future benefits. Amortization expenses is recognized in the Statement of Profit and Loss. During the period of development, the asset is tested for impairment annually.

### **2.25 Cash dividend to equity Shareholders:**

The Company recognises a liability to make cash or distributions to equity holders 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.

### **2.26 Recent Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time-to-time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

**Note 3:****(a) Property, Plant and Equipment:****i) Tangible Assets**

Particulars	(₹ in lakhs)									
	Free Hold Land	Lease Hold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computer	Total	Capital work in progress
<b>Gross carrying amount</b>										
Deemed cost as at April 01, 2023	282.59	1,852.73	4,976.25	19,338.52	118.02	169.81	81.24	117.42	26,936.56	
Additions	-	-	25.07	2,363.03	7.47	-	9.76	15.41	2,420.74	
Disposals	-	-	-	-	-	-	-	-	-	
<b>As at March 31, 2024</b>	<b>282.59</b>	<b>1,852.73</b>	<b>5,001.32</b>	<b>21,701.54</b>	<b>125.48</b>	<b>169.81</b>	<b>91.00</b>	<b>132.83</b>	<b>29,357.30</b>	
<b>Accumulated Depreciation</b>										
As at April 01, 2023	-	188.99	724.40	4,305.54	53.98	89.84	52.65	89.26	5,504.65	
Depreciation charge for the year	-	20.44	143.58	1,330.23	10.25	16.70	4.71	12.93	1,538.84	
Disposals	-	-	-	-	-	-	-	-	-	
<b>As at March 31, 2024</b>	<b>-</b>	<b>209.43</b>	<b>867.98</b>	<b>5,635.77</b>	<b>64.22</b>	<b>106.54</b>	<b>57.36</b>	<b>102.19</b>	<b>7,043.49</b>	
<b>Net book value</b>										
As at April 01, 2023	282.59	1,663.74	4,251.85	15,032.97	64.04	79.97	28.59	28.16	21,431.91	1,133.41
As at March 31, 2024	282.59	1,643.30	4,133.34	16,065.77	61.26	63.27	33.63	30.64	22,313.81	588.91

Particulars	(₹ in lakhs)									
	Free Hold Land	Lease Hold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computer	Total	Capital work in progress
<b>Gross carrying amount</b>										
Deemed cost as at April 01, 2022	282.59	1,852.73	2,477.88	14,785.92	100.67	169.66	74.66	109.27	19,853.37	
Additions	-	-	2,498.37	4,730.84	17.35	17.23	6.57	8.15	7,278.51	
Disposals	-	-	-	(178.24)	-	(17.08)	-	-	(195.32)	
<b>As at March 31, 2023</b>	<b>282.59</b>	<b>1,852.73</b>	<b>4,976.25</b>	<b>19,338.52</b>	<b>118.02</b>	<b>169.81</b>	<b>81.24</b>	<b>117.42</b>	<b>26,936.56</b>	
<b>Accumulated Depreciation</b>										
As at April 01, 2022	-	168.16	420.60	3,128.43	44.30	82.86	45.64	75.75	3,965.74	
Depreciation charge for the year	-	20.82	303.80	1,352.80	9.68	19.26	7.00	13.51	1,726.88	
Disposals	-	-	-	(175.68)	-	(12.28)	-	-	(187.96)	
<b>As at March 31, 2023</b>	<b>-</b>	<b>188.99</b>	<b>724.40</b>	<b>4,305.54</b>	<b>53.98</b>	<b>89.84</b>	<b>52.65</b>	<b>89.26</b>	<b>5,504.65</b>	
<b>Net book value</b>										
As at April 01, 2022	282.59	1,684.57	2,057.27	11,609.49	56.37	86.80	29.02	33.52	15,839.62	6,282.47
As at March 31, 2023	282.59	1,663.74	4,251.85	15,032.97	64.04	79.97	28.59	28.16	21,431.91	1,133.41

## ii) Intangible Assets

(₹ in lakhs)

Particulars	Software	Goodwill	Total	Intangible Assets under Development
<b>Gross carrying amount</b>				
Deemed cost as at April 01, 2023	123.87	1,465.10	1,588.97	
Additions	8.17	-	8.17	
Disposals	-	-	-	
<b>As at March 31, 2024</b>	<b>132.04</b>	<b>1,465.10</b>	<b>1,597.14</b>	
<b>Accumulated Depreciation</b>				
As at April 01, 2023	92.52	-	92.52	
Depreciation charge for the year	18.05	-	18.05	
Disposals	-	-	-	
<b>As at March 31, 2024</b>	<b>110.57</b>	<b>-</b>	<b>110.57</b>	
<b>Net book value</b>				
As at April 01, 2023	31.35	1,465.10	1,496.45	
<b>As at March 31, 2024</b>	<b>21.46</b>	<b>1,465.10</b>	<b>1,486.56</b>	

(₹ in lakhs)

Particulars	Software	Goodwill	Total	Intangible Assets under Development
<b>Gross carrying amount</b>				
Deemed cost as at April 01, 2022	114.03	1,465.10	1,579.13	
Additions	9.84	-	9.84	
Disposals	-	-	-	
<b>As at March 31, 2023</b>	<b>123.87</b>	<b>1,465.10</b>	<b>1,588.97</b>	
<b>Accumulated Depreciation</b>				
As at April 01, 2022	73.17	-	73.17	
Depreciation charge for the year	19.35	-	19.35	
Disposals	-	-	-	
<b>As at March 31, 2023</b>	<b>92.52</b>	<b>-</b>	<b>92.52</b>	
<b>Net book value</b>				
As at April 01, 2022	40.86	1,465.10	1,505.96	
<b>As at March 31, 2023</b>	<b>31.35</b>	<b>1,465.10</b>	<b>1,496.45</b>	

## Depreciation Charged to Profit and Loss Account

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Tangible Assets	1,538.84	1,726.88
ii) Intangible Assets	18.05	19.35
iii) Lease Assets	11.94	11.94
	<b>1,568.83</b>	<b>1,758.17</b>

## (b) Capital Work-in-Progress

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Carrying Value as at April 01	1,133.41	6,282.47
Addition/Adjustment	1,857.02	2,932.20
Transfer to property, plant and equipment	2,401.52	8,081.27
<b>Closing Carrying value as at March 31</b>	<b>588.91</b>	<b>1,133.41</b>



## Aging Schedule

As on March 31, 2024

(₹ in lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	400.04	188.87	-	-	588.91

As on March 31, 2023

(₹ in lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	661.65	471.76	-	-	1,133.41

## Note 4: Non-Current Investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	(₹ in lakhs)	No. of shares	(₹ in lakhs)
<b>Investments in Equity Instruments</b>				
<b>Unquoted equity instruments</b>				
<b>Investment in Wholly Owned Subsidiaries fully paid up (at Cost)</b>				
Fully Paid Equity shares of €50 each of DMCC (Europe) GmbH, (formerly Borax Morarji (Europe) GmbH), Germany	500	16.77	500.00	16.77
<b>Others</b>				
Fully Paid Equity Shares of ₹ 10/- each in Janakalyan Sahakari Bank Ltd.	3,69,250	36.93	3,69,250.00	36.93
Fully Paid Equity Shares of ₹ 10/- each in Saraswat Co-operative Bank Ltd.	2,500	0.25	1,000.00	0.10
Fully Paid Equity Shares of ₹ 25/- each in Shamrao Vitthal Co-operative Bank Ltd.	25 .00	0.01	25.00	0.01
Fully Paid Equity Shares of ₹ 50/- each in Dombivali Nagari Sahakari Bank Ltd.	-	-	3,000.00	1.50
Fully Paid Equity Shares of ₹ 10/- each in Indian Potash Ltd.	-	-	56,500.00	0.47
<b>Aggregate amount of unquoted Investments</b>		<b>53.96</b>		<b>55.78</b>

## Note 5: Other Non-Current Assets

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, Considered Good</b>		
Capital Advances	145.06	403.15
Security deposits	330.32	295.46
	<b>475.38</b>	<b>698.61</b>

## Note 6: Deferred Tax Assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets	2,816.44	2,451.97
Deferred Tax Liabilities	(1,561.27)	(928.38)
	<b>1,255.17</b>	<b>1,523.59</b>



(₹ in lakhs)

Particulars	As on April 01, 2023	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2024
<b>Deferred tax liability in relation to:</b>				
Property, Plant and Equipment	(928.38)	(632.89)	-	(1,561.27)
<b>Total Deferred Tax Liabilities</b>	<b>(928.38)</b>	<b>(632.89)</b>	-	<b>(1,561.27)</b>
<b>Deferred tax asset in relation to:</b>				
Provision for Leave encashment	16.95	-	-	16.95
Provision for Gratuity	46.24	(15.46)	-	30.78
MAT Credit entitlement	2,388.78	379.93	-	2,768.71
<b>Total Deferred Tax Assets</b>	<b>2,451.97</b>	<b>364.47</b>	-	<b>2,816.44</b>
<b>Net Deferred Tax</b>	<b>1,523.59</b>	<b>(268.42)</b>	-	<b>1,255.17</b>

(₹ in lakhs)

Particulars	As on April 01, 2022	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2023
<b>Deferred tax liability in relation to:</b>				
Property, Plant and Equipment	(748.46)	(179.92)	-	(928.38)
<b>Total Deferred Tax Liabilities</b>	<b>(748.46)</b>	<b>(179.92)</b>	-	<b>(928.38)</b>
<b>Deferred tax asset in relation to:</b>				
Provision for Leave encashment	19.85	(2.90)	-	16.95
Provision for Gratuity	44.47	1.77	-	46.24
MAT Credit entitlement	2,388.78	-	-	2,388.78
<b>Total Deferred Tax Assets</b>	<b>2,453.10</b>	<b>(1.13)</b>	-	<b>2,451.97</b>
<b>Net Deferred Tax</b>	<b>1,704.64</b>	<b>(181.05)</b>	-	<b>1,523.59</b>

### Note 7: Inventories (Basis of Valuation - Refer Note 2.9) (as taken, valued and certified by the Management)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Materials	747.00	1,099.42
Raw Material in Transit	-	71.94
Packing Materials	60.54	115.38
Work-in-Process	1,229.85	1,199.62
Finished Goods	1,215.93	1,721.96
Stores and Spares	1,154.88	1,060.63
	<b>4,408.20</b>	<b>5,268.95</b>

**Note:** Inventories of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat amounting to ₹ 4,408.20 lakhs (Previous Year - ₹ 5,268.95 lakhs) are offered as security by of hypothecation of Raw Materials, Finished Goods, Working in process, Packing Materials, Stores, Book Debts and Receivable for working capital facility provided by Banks.

### Note 8: Trade Receivables

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Trade receivables outstanding</b>		
Considered Good - Secured	-	-
<b>Considered Good - Unsecured</b>		
Receivable from Related Parties	38.79	28.41
Others	4,518.55	5,173.17

**Note 8: Trade Receivables** (Contd.)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Considered Doubtful	-	-
	<b>4,557.34</b>	<b>5,201.58</b>
<b>Less:</b> Provision for doubtful debts	-	-
	<b>4,557.34</b>	<b>5,201.58</b>

Receivables of ₹ 4,557.34 lakhs (Previous Year ₹ 5,201.58 lakhs) pertaining to Roha Unit in the State of Maharashtra and Dahej Unit in the State of Gujarat are hypothecated as security for working capital facility provided by the Bank.

Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality.

Generally, the Company supplies as per the order received from its customers. The average Credit period on sale is 30-90 days.

**Trade receivables ageing schedule for the year ended as on March 31, 2024 and March 31, 2023**

(₹ in lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at March 31, 2024</b>						
Undisputed Trade Receivable - Considered Good	4,329.77	72.09	59.20	32.60	63.68	4,557.34
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable - Credit impaired	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
Disputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable - Credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>4,329.77</b>	<b>72.09</b>	<b>59.20</b>	<b>32.60</b>	<b>63.68</b>	<b>4,557.34</b>
<b>Less:</b> Expected Credit Loss (ECL)	-	-	-	-	-	-
<b>Total Trade Receivable</b>	<b>4,329.77</b>	<b>72.09</b>	<b>59.20</b>	<b>32.60</b>	<b>63.68</b>	<b>4,557.34</b>
<b>As at March 31, 2023</b>						
Undisputed Trade Receivable - Considered Good	5,086.46	31.19	7.46	22.90	53.57	5,201.58
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable - Credit impaired	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
Disputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable - Credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>5,086.46</b>	<b>31.19</b>	<b>7.46</b>	<b>22.90</b>	<b>53.57</b>	<b>5,201.58</b>
<b>Less:</b> Expected Credit Loss (ECL)	-	-	-	-	-	-
<b>Total Trade Receivable</b>	<b>5,086.46</b>	<b>31.19</b>	<b>7.46</b>	<b>22.90</b>	<b>53.57</b>	<b>5,201.58</b>

**Note 9: Cash and Cash Equivalents**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Bank Balances in Current Accounts	244.97	132.03
Cash on hand	2.21	1.78
	<b>247.18</b>	<b>133.81</b>



**Note 10: Bank balances other than Cash & Cash equivalents**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid Dividend Account	48.82	49.46
Margin Money Deposit Account	37.48	35.85
	<b>86.30</b>	<b>85.31</b>

Margin money deposit has been given to various Banks for issuance of Bank Guarantee's.

**Note 11: Others Current Financial Assets**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed Deposit with banks more than 3 months but less than 12 months	424.92	176.77
	<b>424.92</b>	<b>176.77</b>

**Note 12: Current Tax Assets (Net)**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax (Net of Provision for Taxation)	36.21	138.59
	<b>36.21</b>	<b>138.59</b>

**Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Accounting Profit before Income tax	1,722.15	1,050.20
At India's statutory income tax rate of 29.12% for FY 2023-24 & 29.12% for FY 2022-23	501.49	305.82
Adjustments in respect of current income tax w.r.t. MAT tax rate and Normal tax rate	(206.31)	(117.91)
Current tax	295.18	187.91
At the effective income tax rate	17.14%	17.89%

The Company falls under the MAT for the year ended March 31, 2024 and March 31, 2023.

**Note 13: Other Current Assets (Unsecured, considered good)**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Government Authorities	619.94	1,603.31
Pre-paid Expense	215.74	241.93
Advances to Supplier	153.81	93.23
Others advances	8.34	9.27
Others*	743.52	721.75
	<b>1,741.35</b>	<b>2,669.49</b>

\*Others include ₹ 450.00 lakhs (Previous year ₹ 500.00 lakhs) receivable in respect of sale of Land at Ambarnath in earlier years by erstwhile Borax Morarji Ltd. The Company is pursuing the matter for obtaining the necessary approval from the Government of Maharashtra, on receipt of which the Conveyance deed will be executed & registered in due course and includes ₹ 156.48 lakhs paid as Pre-deposit Demand of Differential Duty by CESTAT for the Appeal against the Order of Commissioner (Appeals), Mumbai of Customs. The Appeal is pending at CESTAT, Mumbai, and will come up for hearing in due course of time. (Refer Note. 32).

## Note 14: Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	(₹ in lakhs)	No. of shares	(₹ in lakhs)
<b>Authorized Share Capital</b>				
<b>Equity Shares</b>				
Equity Shares of ₹ 10/- each	4,00,00,000	4,000.00	4,00,00,000	4,000.00
<b>Preference Shares</b>				
Preference Shares of ₹ 100/- each	20,00,000	2,000.00	20,00,000	2,000.00
	<b>4,20,00,000</b>	<b>6,000.00</b>	<b>4,20,00,000</b>	<b>6,000.00</b>
<b>Shares issued, subscribed and fully Paid up</b>				
Equity Shares of ₹ 10/- each	2,49,39,933	2,493.99	2,49,39,933	2,493.99
	<b>2,49,39,933</b>	<b>2,493.99</b>	<b>2,49,39,933</b>	<b>2,493.99</b>

### Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	(₹ in lakhs)	No. of shares	(₹ in lakhs)
<b>Equity Shares</b>				
Equity Shares at the beginning of the year	2,49,39,933	2,493.99	2,49,39,933	2,493.99
<b>Add:</b> Shares Issued during the year	-	-	-	-
<b>Equity Shares at the end of the year</b>	<b>2,49,39,933</b>	<b>2,493.99</b>	<b>2,49,39,933</b>	<b>2,493.99</b>

### Terms and Rights attached to Equity Shares

The Company is having only one class of Equity shares having a nominal value of ₹ 10/- per share. Every holder of the equity share of the Company is entitled to one vote per share held. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution to the Equity shareholders will be in proportion of the number of shares held by each shareholder.

### Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held:

Sr. No.	Promoters Name	As at March 31, 2024			As at March 31, 2023		
		No of Shares	% of Total Shares	% change during the year	No of Shares	% of Total Shares	% change during the year
1.	Shri Laxmikumar Narottam Goculdas	90,44,691	36.27%	0.11%	90,18,420.00	36.16%	-

## Note 15: Other Equity

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Security Premium Reserves	1,714.81	1,714.81
(ii) Capital Redemption Reserve	280.00	280.00
(iii) Other Reserves	66.59	66.59
(iv) Retained Earnings	16,275.13	15,118.06
(v) Other Comprehensive Income	85.24	116.48
	<b>18,421.78</b>	<b>17,295.94</b>

**(i) Security Premium Reserve**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1,714.81	1,714.81
<b>Add:</b> Premium on shares issued during the year	-	-
<b>Balance at the end of the year Share Premium(HO)</b>	<b>1,714.81</b>	<b>1,714.81</b>

Securities premium reserve is used to record the premium on issue of shares. The reserve is eligible for utilisation in accordance with the provision of the Companies Act, 2013.

**(ii) Capital Redemption Reserve**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	280.00	280.00
<b>Add:</b> Transfer during the year	-	-
<b>Balance at the end of the year</b>	<b>280.00</b>	<b>280.00</b>

**(iii) Other Reserve**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	66.59	66.59
<b>Add:</b> Transfer during the year	-	-
<b>Balance at the end of the year</b>	<b>66.59</b>	<b>66.59</b>

Other reserve represents Capital subsidy received from various state Government.

**(iv) Retained Earnings**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	15,118.05	14,681.79
<b>Add:</b> Profit for the year	1,157.08	685.67
<b>Less:</b> Equity Dividend Paid	-	(249.40)
<b>Balance at the end of the year</b>	<b>16,275.13</b>	<b>15,118.06</b>

Retained earnings are used from time-to-time to transfer profits from retained earnings for appropriation purposes. The amount that can be distributed by the Company as dividend to its equity shareholders is determined as per the provision of the Companies Act and the dividend distribution policy of the Company.

**(v) Other Comprehensive Income**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	116.48	96.36
OCI for the year	(31.24)	20.12
<b>Balance at the end of the year</b>	<b>85.24</b>	<b>116.48</b>

OCI represents the cumulative gains and losses arising on the revaluation of financial assets and liabilities measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.



## Note 16: Long Term Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Term Loan</b>		
<b>(a) Secured</b>		
<b>From Bank &amp; Fiancail Institutions</b>		
(i) Car Loan from Financial Institutions	0.17	3.34
(ii) Term Loan from Bank	4,812.07	5,805.80
	<b>4,812.24</b>	<b>5,809.14</b>
<b>(b) Unsecured</b>		
<b>From Other Parties</b>		
Fixed Deposits	957.25	948.50
Accrued Interst on Fixed Deposits	7.17	2.92
	<b>964.42</b>	<b>951.42</b>
<b>Total Long Term Borrowings</b>	<b>5,776.66</b>	<b>6,760.56</b>

### (a) (i) Car Loan from a bank/Financial Institotions

Loans against vehicles are for a period of three to five years and repayable by way of equated monthly installment, Interest rate ranges from 9.50% to 0%. Secured against hypothecation of Vehicles.

Out of total outstanding Car loan as on March 31, 2024 of ₹ 3.34 lakhs (Previous Year: ₹ 6.29 lakhs), amount due in next twelve months is ₹ 3.17 lakhs (Previous Year: ₹ 2.95 lakhs), which is shown as Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21 (1)(ii)).

The balance Car Loan of ₹ 0.17 lakhs (Previous Year: ₹ 3.34 lakhs) is shown above as Car loan from Bank/Non-Banking Financial Institution.

### (a) (ii) Project Loan from bank

i) **Sanctioned Term Loan:** ₹ 700.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 347.20 lakhs (Previous Year ₹ 483.15 lakhs). Repayable in 60 EMI's commencing from Jun-2021. Rate of interest is 10.25%.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

ii) **Sanctioned Term Loan:** ₹ 1,500.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 375.00 lakhs (Previous Year ₹ 675.00 lakhs). Repayable in 60 EMI's commencing from July 15, 2020. Rate of interest is 11.00%.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Dahej.

iii) **Sanctioned Term Loan:** ₹ 1,875.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 1,272.37 lakhs (previous Year ₹ 1,667.73 lakhs).

Repayable in 60 EMI's commencing from April 30, 2022. Rate of interest is 11.00%.

Secured against mortgage of land and building of the Company, both present and future, situated at Dahej.

iv) **Sanctioned Term Loan:** ₹ 600.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 526.70 lakhs (Previous Year ₹ 621.12 lakhs).

Repayable in 60 EMI's commencing from April 30, 2022. Rate of interest is 11.00%.

Secured against mortgage of land and building of the Company, both present and future, situated at Dahej.

v) **Sanctioned Term Loan:** ₹ 2,625.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 1,823.27 lakhs (Previous Year ₹ 2,373.31 lakhs). Repayable in 60 EMI's commencing from May 31, 2022. Rate of interest is 11.00%.

Secured against mortgage of land and building of the Company, both present and future, situated at Roha.

vi) **Sanctioned Term Loan:** ₹ 790.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 697.95 lakhs. (Prvious Year ₹ 398.04 lakhs), Repayable in 60 EMI's commencing from September 10, 2023. Rate of interest is 11.00%.

Secured against mortgage of land and building of the Company, both present and future, situated at Roha.

vii) **Sanctioned Term Loan:** ₹ 1,330.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 816.14 lakhs (Previous Year ₹ 1,078.61 lakhs). Repayable in 60 EMI's commencing from June 09, 2023. Rate of interest is 11.80%.

Secured against mortgage of land and building of the Company, both present and future, situated at Roha.

viii) **Sanctioned Term Loan:** ₹ 475.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 449.00 lakhs (Previous Year ₹ 475.00 lakhs). Repayable in 60 EMI's commencing from February 24, 2024. Rate of interest is 9.25%.

Secured against mortgage of land and building of the Company, both present and future, situated at Roha.



- ix) **Sanctioned Term Loan:** ₹ 1,750.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 500.00 lakhs (Previous Year Nil). Repayable in 60 EMI's commencing from March 31, 2025. Rate of interest is 11.00%. 60 EMI's are remaining to be paid as on that date.

Secured against mortgage of land and building of the Company, both present and future, situated at Roha.

- x) **Sanctioned Term Loan:** ₹ 250.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 250.00 lakhs (Previous Year Nil). Repayable in 60 EMI's commencing from March 31, 2025. Rate of interest is 11.00%. 60 EMI's are remaining to be paid as on that date.

Secured against mortgage of land and building of the Company, both present and future, situated at Roha.

Out of total outstanding term loan as on March 31, 2024 of ₹ 7060.97 lakhs (PY: ₹ 7,778.24 lakhs), amount due in next twelve months is ₹ 2,248.74 lakhs (PY: ₹ 1,969.09 lakhs), which is shown as Current maturities of Long Term Debts' under 'Other Current Liabilities' (See Note No. 21 (1)(iii)). The balance Term Loan of ₹ 4,812.24 lakhs (PY: ₹ 5,809.14 lakhs) is shown in above term loan for Project & other corporate purpose.

### Note 17: Long Term Provisions

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Provision for Employee Benefits</b>		
Provision for Gratuity	143.66	121.48
Provision for Leave benefit	76.84	63.28
	<b>220.50</b>	<b>184.76</b>

### Note 18: Other Non-Current Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Security Deposits from distributors and others	26.51	26.51
(ii) Security Deposits received against Royalty	31.55	31.36
	<b>58.06</b>	<b>57.87</b>

### Note 19: Short-Term Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(a) Secured</b>		
<b>From Banks</b>		-
Cash Credit Facilities	-	481.97
Working Capital Demand Loan	500.24	328.87
Export Packing Credit	230.66	546.29
	<b>730.90</b>	<b>1,357.13</b>

Bank has sanctioned Working Capital facility against hypothecation of all Current Assets, present and future. Inventories and Receivables of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat are offered as security and Mortgage of Office Premises of the Company situated at Mumbai.

### Note 20: Trade Payables

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Outstanding due to Micro and Small Enterprise	261.66	78.71
(ii) Trade Payable other than Micro and Small Enterprise	2,970.05	3,614.22
(iii) Bills Payable	3,246.71	4,499.38
	<b>6,478.42</b>	<b>8,192.31</b>

**20.1** Payment towards trade is made as per the terms and condition of the contract/purchase order. Average Credit period is 30-90 days

**20.2** Information as required to be furnished under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2024 is given below. The information has been determined to the extent such parties have been identified by the Company on the basis of the information available with the Company and the Auditors have relied on the same.

The disclosure pursuant to MSMED Act is as under:

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
(i) Principal amount due and remaining unpaid	20.83	78.71
(ii) Interest due on above and the unpaid interest	0.36	2.34
(iii) Interest paid in terms of Section 16 of the MSMED Act	-	-
(iv) Amount of payments made to supplier beyond the appointed day	-	-
(v) Amount of interest due and payable for the period of delay on payment made beyond the appointed day during the year without adding interest specified under MSMED Act	-	-
(vi) Amount of Interest accrued and remaining unpaid	0.36	2.34
(vii) Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under Section 23 of the MSMED Act	-	-

Trade Payables ageing schedule for the year ended as on March 31, 2024 and March 31, 2023

Particulars	(₹ in lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at March 31, 2024</b>					
MSME	261.66	-	-	-	261.66
Others	2,928.99	41.06	-	-	2,970.05
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
<b>As at March 31, 2023</b>					
MSME	78.71	-	-	-	78.71
Others	3,444.61	191.26	-	-	3,635.87
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-

**Note 21: Other Financial Liabilities**

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>1 Current maturities of long-term debt</b>		
(i) Current maturities of Long Term Debts (Car Loan)	3.17	2.95
(ii) Current maturities of Long Term Debts (Loan)	2,094.96	1,829.06
(iii) Current maturities of Mortgage Loan	150.61	137.08
	<b>2,248.74</b>	<b>1,969.09</b>
<b>2 Unpaid Dividend (Amount Transferable to Investor Education &amp; Protection Fund when due)</b>	48.64	49.27
<b>3 Unpaid Matured Fixed Deposits (Unclaimed)</b>	0.01	0.11
	<b>2,297.39</b>	<b>2,018.47</b>
<b>4 Others Payable</b>		
(i) Trade Deposit	77.53	77.53
(ii) Advance received from customers	76.08	127.92
(iii) Others	669.22	1,074.81
	<b>822.83</b>	<b>1,280.26</b>
	<b>3,120.22</b>	<b>3,298.73</b>

## Note 22: Other Current Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	68.97	56.80
Due to Employees	253.50	280.39
	<b>322.47</b>	<b>337.19</b>

## Note 23: Provisions (Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Provision for Employee Benefits</b>		
Provision for Gratuity	39.90	21.07
Provision for Leave benefits	9.51	10.95
	<b>49.41</b>	<b>32.02</b>

## Note 24: Revenue from Operations

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from Contracts with Customers</b>		
Sale of Chemical Products	32,055.36	38,147.93
<b>Other Operating Revenues</b>		
- Royalty	29.10	64.11
- Export Incentives	191.26	219.11
- Other Operating Income	498.48	191.48
- Wind Mills	17.79	28.96
	<b>736.63</b>	<b>503.66</b>
	<b>32,791.99</b>	<b>38,651.59</b>
<b>Revenue from Contracts with Customers</b>		
<b>1. Disaggregated revenue information</b>		
Set out below is the disaggregation of the Company's revenue from contract with Customers:		
<b>Segment</b>		
Chemicals	32,055.36	38,147.93
Traded sales	-	-
	<b>32,055.36</b>	<b>38,147.93</b>
<b>Geographical</b>		
India	23,055.26	25,751.81
Outside India	9,000.10	12,396.12
	<b>32,055.36</b>	<b>38,147.93</b>
<b>Timing of Revenue Recognition</b>		
Goods transferred at a point in time	<b>32,055.36</b>	<b>38,147.93</b>
<b>2. Contract Balances</b>		
<b>The following table provides information about receivables, contract assets and contract liabilities from contracts with customers</b>		
Trade Receivables	4,557.34	5,201.58
<b>Contract Liabilities</b>		
Advances from Customers	76.08	127.92

**Note 24: Revenue from Operations** (Contd.)

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>3. Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price</b>		
Revenue as per contracted price	32,613.06	38,967.59
<b>Adjustments</b>		
Significant financing component		
Sales return	129.02	322.05
Rebate	-	-
Discount	428.67	497.60
<b>Revenue from contract with customers</b>	<b>32,055.36</b>	<b>38,147.93</b>
<b>4. The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31, 2024</b>		
Advances from customers	<b>76.08</b>	<b>127.92</b>

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

**Note 25: Other Income**

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income	37.13	13.33
Dividend Income	3.94	2.03
Profit on Sale of Fixed Assets	2.83	20.89
Profit on Sales of Investment (net of brokerage)	844.28	98.67
Other non-operating income	141.02	112.74
Sundry Credit Balances Written Back	0.15	32.01
	<b>1,029.35</b>	<b>279.67</b>

**Note 26: Cost of Material Consumed**

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of Raw Materials	19,467.15	25,875.54
Consumption of packing materials	83.52	92.98
	<b>19,550.67</b>	<b>25,968.52</b>

**Note 27: Purchase of Stock in Trade**

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchased of Goods Traded	-	-
	-	-

**Note 28: Changes in inventories of Finished Goods, Work in process and Trade Goods (as certified by the Management)**

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Inventory at the beginning of the year</b>		
Work-in-Process	1,199.62	313.23



## Note 28: Changes in inventories of Finished Goods, Work in process and Trade Goods (as certified by the Management) (Contd.)

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Finished Goods	1,721.96	1,431.73
	<b>2,921.58</b>	<b>1,744.96</b>
<b>Inventory at the end of the year</b>		
Work in Process	1,229.85	1,199.62
Finished Goods	1,215.93	1,721.96
	<b>2,445.78</b>	<b>2,921.58</b>
	<b>475.80</b>	<b>(1,176.63)</b>

## Note 29: Employee Benefits Expense

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and Wages (Net after Repairs)(*)	1,913.61	1,914.57
Contribution to Provident Fund	136.00	116.94
Contribution to Other Funds (Gratuity, Superannuation, etc)	55.89	83.77
Staff Welfare Expenses	273.97	272.02
	<b>2,379.47</b>	<b>2,387.30</b>
(*) Salaries & Wages allocated to Repairs etc.	60.17	60.98

## Note 30: Finance Cost

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Finance Cost</b>		
Interest Paid to Banks	825.38	628.29
Interest paid to Others	501.54	389.71
Interest paid on Lease	1.97	3.03
Bank Chareges	46.84	36.99
<b>Total</b>	<b>1,375.73</b>	<b>1,058.02</b>

## Note 31: Other Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power, Fuel and Water	1,439.07	1,694.90
Repairs to buildings	79.74	67.34
Repairs to machinery	1,030.24	1,719.43
Research & Development Expenses	108.93	125.91
Insurance	231.99	174.70
Rates and taxes	93.15	21.51
Director fees and Commission to Non Whole-Time Directors	29.77	52.80
Internal handling, Freight and carriage outward	1,730.48	1,911.73
Net loss/(gain) on foreign currency transactions	41.69	313.53
<b>Auditors Remuneration</b>		
Audit fees	12.75	12.75
For other services	8.85	9.85
Reimbursement of out of pocket expenses	0.46	0.43
	<b>22.06</b>	<b>23.03</b>

**Note 31: Other Expenses** (Contd.)

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sundry Balances Written off	3.56	11.80
Loss on Sale of Fixed Assets/Investments	-	0.23
Expenditure on Corporate Social Responsibility initiatives	56.05	65.22
Miscellaneous expenses*	1,881.96	1,703.54
	<b>6,748.69</b>	<b>7,885.67</b>

\*None of the item individually accounts for more than ₹ 10,00,000/- or 1% of revenue whichever is higher.

**Note 32: Contingent Liabilities**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>A Contingent Liabilities</b>		
(i) Outstanding claims in respect of Excise Duty/Custom Duty, etc.	1,554.60	1,554.60
(ii) Guarantees issued by banks	39.00	33.34
(iii) Claims against Company not acknowledged as debts	34.77	34.77

The Company has reviewed all its pending litigations & proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable. The Company does not expect the outcome of these proceedings to have materially adverse effect.

The Company has received Differential Duty demand of ₹ 14.33 crores (on Import of crude/un-refined Sulphur during the period 2004-2005 to 2008-2009, provisionally assessed then), at concessional rate of Basic Customs Duty in term of Entry at Sr. No. 60 of Notification No. 21/2002- Cus dated March 01, 2002 which granted concessional rate of basic customs duty on the import of "Crude or unrefined Sulphur" falling under Chapter Sub-heading No. 2503 00 of Customs Tariff). The Company has now filed Appeal before CESTAT being Appeal No. C/89904/2018 - DB dated January 02, 2019 (against the Order dated February 07, 2018 of the Commissioner (Appeals), Mumbai) and deposited an amount of ₹ 1.43 crores (being the 10% of the alleged demand of differential duty of ₹ 14.33 crores), as a condition precedent for the Appeal before the CESTAT. The Appeal is pending at CESTAT, Mumbai, and will come up for hearing in course of time. Based on the legal advice the Company is confident to successfully succeed in the appeal.

The Company had imported Rock Phosphate (for the manufacture of Fertilizer viz. Single Superphosphate) and the Bill of Entry for the consignments of Rock Phosphate imported during the period 2005-2006 to 2007-2008, were provisionally assessed and goods were allowed to be cleared with "Nil" Special additional Duty (SAD for short) falling under Chapter heading, Sub-heading or tariff item "31 or any other chapter" of the first Schedule of Customs Tariff. Subsequently, the Department raised an alleged demand of ₹ 1.21 crores on account of the enhancement of declared value (Invoice value on which duty was assessed provisionally) and denial of "Nil" (SAD) under Notification- 20/2006-Cus dated March 01, 2006 on the alleged ground that the Company had allegedly failed to submit the relevant documents which could prove that the imported Rock Phosphate was used for the manufacturing of "fertilizer". The Company has now filed Appeal before CESTAT being Appeal No. C/89910/2018 - DB dated January 02, 2019 (against the Order dated February 07, 2018 of the Commissioner (Appeals), Mumbai) and deposited an amount of ₹ 12.16 lakhs being the 10% of the alleged demand of ₹ 1.21 crores. The Appeal is pending at CESTAT, Mumbai and will come up for hearing in course of time. Based on the legal advice the Company is confident to successfully succeed in the appeal.

**Note 33: Commitments**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated Amount of Contracts remaining to be executed on Capital Account & not provided for (Net of Advances)	20.13	666.57

**Note 34: Leases**

The Company as lessee, has long term lease contract for one of its Office premises. Lease of Office generally has lease terms of 4 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios. There are no major lease contracts that include extension and termination options and variable lease payments.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particular	(₹ in lakhs)	
	Leasehold Office	
As at March 31, 2023	23.86	
Additions	-	
Depreciation Expenses	11.93	
Termination	-	
<b>As at March 31, 2024</b>	<b>11.93</b>	

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particular	(₹ in lakhs)	
	Leasehold Office	
As at March 31, 2023	27.60	
Additions	-	
Accretion of Interest	1.97	
Payments	14.76	
Termination	-	
<b>As at March 31, 2024</b>	<b>14.81</b>	

The following are the amounts recognised in profit or loss

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Depreciation expense of right-of-use assets	11.93	11.93
Interest expense on lease liabilities	1.97	3.03
Expense relating to short-term leases and low value leases (included in other expenses)	26.38	22.38
<b>Total amount recognised in profit or loss</b>	<b>40.28</b>	<b>37.34</b>

The Company had total cash outflows for leases of ₹ 40.28 lakhs in March 31, 2024 (₹ 37.34 lakhs in March 31, 2023). There are no noncash additions to right-of-use assets and lease liabilities.

### Note 35: Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Company meeting the applicability threshold needs to spend at least 2% of its average net profits for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The Company has constituted a Corporate Social Responsibility (CSR) Committee. The Company has specified the projects in education field, promoting preventive healthcare and sanitation. Modalities of utilisation of funds on the specified project and monitoring and reporting mechanism has been defined.

The Company has spent an amount of ₹ 56.05 lakhs during the 2023-24 (Previous year ₹ 65.22 lakhs) towards several CSR activities.

Corporate Social Responsibility expenditure is as follows:

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Amount required to be spent by the Company during the year	56.00	63.80
Amount of expenditure incurred	56.05	65.22
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	-	-

Particulars	As at March 31, 2024	As at March 31, 2023
Nature of CSR activities	Conservation of flora and fauna and bio-diversity, promoting education, healthcare, animal car, snake bite awareness, women empowerment, social empowerment, hostel and boarding for poor childrens and differently abled childrens.	Conservation of flora and fauna and bio-diversity, promoting education, healthcare including covid relief, women empowerment, social empowerment, hostel and boarding for poor childrens and differently abled childrens, old age home and flood relief.
Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant AS	-	-
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA

### Note 36: Earning Per Share

EPS amount are calculated by dividing the profit for the year attributed to Equity holders of the Company by weighted average number of Equity shares outstanding during the year.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit attributable to Equity share holder of the Company (₹ in lakhs)	1,157.08	685.67
Weighted Average Number of Equity Shares	2,49,39,933	2,49,39,933
Earning per Equity Shares (Basic & Diluted)	4.64	2.75

### Note 37: Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company, through three layers of defence namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the Risk management policies. The risks are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

#### A. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (i));
- liquidity risk (see (ii)); and
- market risk (see (iii)).

##### i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally

from the Company's receivables from customers, loans and investments. The carrying amount of financial assets represents the maximum credit risk exposure.

##### Trade receivables

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

##### Expected credit loss for trade receivables:

The Company based on internal assessment which is driven by the historical experience/current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company

estimates its allowance for trade receivable using lifetime expected credit loss and accordingly provision is made for the doubtful debts.

#### Expected credit loss on financial assets other than trade receivables:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on these financial assets.

#### ii. 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's finance and accounts department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

#### iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates that 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 optimising the return.

#### Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company. The currencies in which the Company is exposed to risk are generally USD and EUR. The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contract.

#### Exposure to currency risk - Unhedged

Particulars	As at March 31, 2024			As at March 31, 2023		
	Currency		₹ in lakhs	Currency		₹ in lakhs
Trade Receivables	USD	20,98,505	1,749.61	USD	27,55,276	2,265.30
	EURO	1,57,238	141.86	EURO	4,90,912	439.89
			<b>1,891.46</b>			<b>2,705.20</b>
Hedged Position	USD	-	-	USD	-	-
			<b>1,891.46</b>			<b>2,705.20</b>
Trade Payable	USD	6,05,554	(504.87)	USD	37,638	(30.94)
<b>Net Exposure to Currency Risk</b>			<b>1,386.59</b>			<b>2,674.25</b>

#### Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EUR against all other currencies at March 31 would have affected the measurement of financial exposure denominated in a foreign currency and affected equity and profit or loss by the amounts shown below.

Movement of USD and EUR and its effect on financial exposure on P & L. (1% variation +/-). The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

(₹ in lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Profit or Loss		Profit or Loss	
	Strengthening	Weakening	Strengthening	Weakening
USD 1% Movement	12.45	(12.45)	22.34	(22.34)
EURO 1% Movement	1.42	(1.42)	4.40	(4.40)

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees of fixed rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate.

In order to optimize the Company's position with regard to 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 the fixed rate and floating rate financial instruments in its total portfolio.

(i) The exposure of borrowings to interest rate changes at the end of reporting period are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed rate borrowings	7,791.87	9,135.37
Interest Swap	-	-
<b>Net Exposure after Swap</b>	<b>7,791.87</b>	<b>9,135.37</b>

Particulars	As at March 31, 2024			As at March 31, 2023		
	Weighted average interest rate (%)	Balance	% of total loans	Weighted average interest rate (%)	Balance	% of total loans
Term Loans	9.93%	7,060.97	90.62%	9.30%	7,778.24	85.14%
Loans repayable on demand	7.86%	730.90	9.38%	8.78%	1,357.13	14.86%
<b>Net exposure to cash flow interest rate risk</b>		<b>7,791.87</b>			<b>9,135.37</b>	

(ii) Sensitivity

Profit/loss is not sensitive to higher/lower interest expense from borrowings as the interest rates are fixed.

## B. Capital management

The Company manages its capital structure and make adjustment in light of changes in economic conditions and requirements co venants.

## Note 38: Other Additional Information

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	₹ in lakhs	%	₹ in lakhs	%
<b>(i) Value of Raw Materials and Boughtouts, Stores, Spares and Components Consumed</b>				
<b>a) Raw Materials and Boughtouts</b>				
Imported	529.51	2.71%	1,867.54	7.22%
Indigenous	19,021.16	97.29%	24,101.04	92.78%
	<b>19,550.67</b>	<b>100.00%</b>	<b>25,968.58</b>	<b>100.00%</b>

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>b) Stores, Spares and Components</b>		
Indigenous	858.52	1,592.17
<b>(ii) Value of Imports Calculated on CIF Basis</b>		
Raw Materials & Boughtouts	497.83	1,645.96
<b>(iii) Expenditure in Foreign Currency</b>		
	478.96	114.24
<b>(iv) Earnings in Foreign Currency in Respect of</b>		
Export of goods calculated on FOB basis	8,575.15	11,522.78

## Note 39: Segment Reporting

### a) Primary Business Segment:

The Company is engaged in only one business segment i.e. Manufacture of Chemicals.

## b) Secondary Geographical Segment

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Sales Turnover:</b>		
i) In India	23,055.26	25,751.81
ii) Outside India	9,000.10	12,396.12
<b>Total</b>	<b>32,055.36</b>	<b>38,147.93</b>

## Note 40: Related Parties Disclosures

Names of related parties	Nature of Relationship
(i) Shri Laxmikumar Narottam Goculdas	Promoter and Chairman (holding more than 20% of the voting power of the Company)
(ii) DMCC (Europe) GmbH(formerly Borax Morarji (Europe) GmbH)	Wholly Owned Subsidiary
(iii) The Natural Gas Co. Pvt. Ltd.	Enterprises under the Control of Promoter
(iv) L.P.Gas Equipment Pvt. Ltd.	Enterprises under the Control of Promoter
(v) L.P.Gas Transport & Bottling Co. Pvt. Ltd.	Enterprises under the Control of Promoter
(vi) Phoenix Distributors Pvt. Ltd.	Enterprises under the Control of Promoter
(vii) Jasraj Trading Co.	Enterprises under the Control of Promoter
(viii) Kosan Industries Pvt. Ltd.	Enterprises under the Control of Promoter
(ix) Bombay Foods Pvt. Ltd.	Enterprises under the Control of Promoter
(x) Falcon Chemicals LLC, Dubai	Enterprises under the Control of Promoter
(xi) Ms. Mitika Laxmikumar Goculdas	Daughter of Promoter and Chairman and Non Executive Director
(xii) Shri Bimal Lalitsingh Goculdas	Key Managerial Person - Managing Director and Chief Executive Officer
(xiii) Shri Dilip Trimbak Gokhale	Key Managerial Person - Executive Director
(xiv) Shri Sunil Kumar Goyal	Key Managerial Person - Chief Finance Officer (from May 18, 2023)
(xv) Shri Omkar Chnadrakant Mhamunkar	Key Managerial Person - Company Secretary
(xvi) Shri Chirag Shah	Key Managerial Person - Chief Finance Officer (upto February 10, 2023)

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
<b>A Transaction with Promoters holding more than 20% of the voting power</b>			
Sitting Fees for attending Board and Committee meetings - Shri Laxmikumar Narottam Goculdas	2.25	2.50	
Commission paid to Promoter- Shri Laxmikumar Narottam Goculdas	4.84	12.33	
<b>B</b> Sitting Fees for attending Borad Meeting to Ms. Mitika Laxmikumar Goculdas	2.25	2.50	
Commission paid to Promoter-Ms. Mitika Laxmikumar Goculdas	1.94	4.93	
<b>C Transactions with Related Parties and Non Executive Directors</b>			
<b>(i) Transaction with Non Executive Directors</b>			
Shri Sanjeev Vishwanath Joshi	Sitting Fees for attending Board & Committee meetings	3.25	3.50
	Commission Paid	1.94	4.93
Shri Madhu Thakorlal Ankleshwaria	Sitting Fees for attending Board & Committee meetings	3.25	3.50
	Commission Paid	1.94	4.93

(₹ in lakhs)

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
Shri Mukul Manoharlal Taly	Sitting Fees for attending Board & Committee meetings	2.50	2.50
	Commission Paid	1.94	4.93
Dr. (Mrs.) Janaki Ashwin Patwardhan	Sitting Fees for attending Board & Committee meetings	1.75	2.00
	Commission Paid	1.94	4.25
<b>(ii) Sale of Goods/Services Rendered by the Company</b>			
	DMCC (Europe) GmbH(formerly Borax Morarji (Europe) GmbH)	91.09	40.98
<b>(iii) Closing balance of DMCC (Europe) GmbH (formarly Borax Morarji (Europe) GmbH) included in Current Assets of the Company</b>			
		38.79	28.40
<b>D Transactions relating to Key Management Personnel</b>			
<b>(i) Remuneration</b>			
	Shri Bimal Lalitsingh Goculdas	132.38	151.85
	Shri Dilip Trimbak Gokhale	53.29	48.75
	Shri Sunil Kumar Goyal (from May 18, 2023)	30.64	0.00
	Shri Omkar Chnadrakant Mhamunkar	18.52	15.28
	Shri Chirag Shah (upto February 10, 2023)	-	33.07
		<b>234.82</b>	<b>248.94</b>
<b>(ii) Perquisites and Other Benefits</b>			
	Shri Bimal Lalitsingh Goculdas	44.29	34.57
	Shri Dilip Trimbak Gokhale	1.13	0.57
	Shri Sunil Kumar Goyal	0.30	-
	Shri Omkar Chnadrakant Mhamunkar	1.06	0.78
	Shri Chirag Shah (upto February 10, 2023)	-	0.27
		<b>46.77</b>	<b>36.18</b>
		<b>281.59</b>	<b>285.13</b>

Related party relationships are as identified by the Company and relied upon by the Auditors.

#### Note 41: Employee Benefits

The Company has made provision for following benefit plans as per Accounting Standard 15 (Revised 2005) "Employee Benefits". Defined Benefit Plans/Long Term Compensated Absences: As per Actuarial Valuation as on March 31, 2024, the required data is as follows:

##### I. Continuing Employees:

(₹ in lakhs)

Particulars	Apr 23/Mar 24	Apr 23/Mar 24	Apr 22/Mar 23	Apr 22/Mar 23
<b>A Expense recognised in the statement of Profit &amp; Loss Account for period ended March 31, 2024</b>	Gratuity	Leave Encashment	Gratuity	Leave Encashment
1. Current Service Cost	22.49	5.81	20.02	5.49
2. Interest Cost	19.02	2.80	17.77	2.50
3. Past Service Cost (vested benefits)	-	-	-	-
4. Expected Return on plan assets	(1.77)		(1.85)	-
5. Actuarial (Gain)/Losses	10.92	1.63	17.64	4.87
<b>6. Total Expenses</b>	<b>50.66</b>	<b>10.24</b>	<b>53.58</b>	<b>12.86</b>
<b>B Net Assets/(Liability) recognised in the Balance Sheet as at March 31, 2024</b>				
1. Present value of Defined Benefit Obligation as at March 31, 2024	304.02	45.49	270.85	43.73
2. Fair Value of plan assets as at March 31, 2024	9.21	-	13.97	-
3. Funded Status [(Surplus)/(Defecit)]	(294.81)	(45.49)	(256.88)	(43.73)
4. Net asset/(Liability) as at March 31, 2024	(294.81)	(45.49)	(256.88)	(43.73)



## I. Continuing Employees: (Contd.)

(₹ in lakhs)

Particulars	Apr 23/Mar 24	Apr 23/Mar 24	Apr 22/Mar 23	Apr 22/Mar 23
<b>C Change in Obligation during the period ended March 31, 2024</b>				
1. Present value of Defined Benefit Obligation at the beginning of the year	270.85	43.74	239.94	36.32
2. Current Service Cost	22.49	5.81	20.02	5.49
3. Interest Cost	19.02	2.80	17.77	2.50
4. Settlement Cost	-	-	-	-
5. Past Service Cost - (Vested Benefits)	-	-	-	-
6. Employee Contribution/transfer	-	-	-	-
7. Actuarial (Gain)/Losses	10.92	1.63	17.64	4.87
8. Benefits Payments	(19.26)	(5.44)	(24.52)	(5.44)
9. Present value of Defined Benefit Obligation at the end of the year	304.02	48.54	270.85	43.74
<b>D Change in Assets During the period ended March 31, 2024</b>				
1. Plan assets at the beginning of the year	13.96	-	14.61	-
2. Settlements	-	-	-	-
3. Expected return on plan assets	1.77	-	1.85	-
4. Contributions by employers	-	-	-	-
5. Actual benefits paid	-	-	-	-
6. Actuarial (Gain)/(Losses)	-	-	(2.50)	-
7. Plan assets at the end of the year	15.73	-	13.96	-
<b>E Actuarial Assumptions:</b>				
1. Discount Rate	7.00%	7.00%	7.25%	7.25%
2. Mortality Rate	IALM2012-14	IALM2012-14	IALM2012-14	IALM2012-14

**Note 42: Other Statutory Informations**

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) Details of relationship with struck off companies:

As per the information available with the Company, following are the transactions with struck off companies:

(₹ in lakhs)

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding/ Nominal Value of Shares(Amount in lakhs)	Relationship with struck off Company, if any
<b>Shares held by Struck off Company</b>			
NA	NA	NA	NA

(iii) The Company does not have any charges or satisfaction thereof, which is yet to be registered with ROC beyond the statutory period.

(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the year.

(v) 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:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) 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:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company has no 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.

- (viii) The Company holds all the title deeds of immovable property in its name.
- (ix) The Company is not declared as wilful defaulter by any bank or financial Institution or other lender.
- (x) The Company is required to file any quarterly returns/ statements with the bank.
- (xi) There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (xii) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.

**Note 43:**

As per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014 the Company uses accounting software for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account along with the date when such changes were made within such accounting software. This feature of recording audit trail has operated throughout the year except for certain transactions, changes made through specific access and for direct database changes and no audit trail features were tampered during the year.

**Note 44:**

Figures in respect of the previous year have been regrouped/ rearranged wherever necessary.

For **Rahul Gautam Divan & Associates**  
ICAI Firm registration number: 120294W  
Chartered Accountants

For and on behalf of the Board of Directors

**Rahul Divan**  
Partner  
Membership No.: 100733

**L.N. Goculdas**  
Chairman  
DIN: 00459347

**B.L. Goculdas**  
Managing Director & CEO  
DIN: 00422783

**S. V. Joshi**  
Independent Director  
DIN: 00392020

**Place:** Mumbai  
**Date:** May 23, 2024

**Sunil Kumar Goyal**  
Chief Financial Officer

**O. C. Mhamunkar**  
Company Secretary

# Independent Auditors Report

To the Members of **DMCC Speciality Chemicals Limited** (formerly known as The Dharamsi Morarji Chemical Company Limited)

## Report on the Consolidated Ind AS financial statements

### Opinion

We have audited the accompanying Consolidated Ind AS financial statements of DMCC Speciality Chemicals Limited (formerly known as The Dharamsi Morarji Chemical Company Limited)(hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its Subsidiaries together referred to as “the Group”), comprising of the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the Consolidated Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by 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 consolidated state of affairs of the Group, as

at March 31, 2024, their Consolidated profit including other comprehensive income, and their consolidated Cash flows and Consolidated statement of changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Consolidated Ind AS 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 ‘Auditor’s Responsibilities for the Audit of the Consolidated Ind AS financial statements’ Section of our report. We are independent of the Group in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India 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 Consolidated Ind AS financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the Consolidated Ind AS financial statements Section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Ind AS financial statements.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
<p><b>1. Litigations and claims</b></p> <p>(Refer to note 32 to the Consolidated Ind AS financial statements)</p> <p>These cases are pending with multiple tax authorities like Income Tax, Excise, Service tax etc. and labour law cases which have not been acknowledge as debt by the Company.</p> <p>In normal course of business, financial exposures may arise from pending proceedings not acknowledged as debt by the Company. Whether a claim needs to be recognized as liability or disclosed as contingent liability in the Consolidated Ind AS financial statements is depended on a number of significant assumptions and judgements. The amount involved are potentially significant and determining the amount, if any, to be recognized or disclosed in the Consolidated Ind AS financial statements, is inherently subjective.</p>	<p><b>Principal Audit Procedures</b></p> <ul style="list-style-type: none"> <li>* Evaluation of management’s judgement of tax risks, estimates of tax exposures, each claims and contingencies. Third party opinions, past and current experience with the tax authority and management’s response including on the labour law cases were used to assess the appropriateness of management’s best estimate of most likely outcome of each uncertain contingent liability.</li> <li>* Discussing selected matters with the entity’s management.</li> <li>* Critically assessing the entity’s assumptions and estimates in respect of claims, included in the contingent liabilities disclosed in the Consolidated Ind AS financial statements. Assessment of the probability of negative result of litigation and the reliability of estimates of related obligation.</li> </ul>	

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	<p>We have Considered Litigation and claims as Key Audit Matter as it requires significant management judgement, including accounting estimation uncertainty.</p>	<ul style="list-style-type: none"> <li>* Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation &amp; disclosure on the subject matter in the Consolidated Ind AS financial statements.</li> </ul>
<b>2.</b>	<p><b>Revenue Recognition</b> (As described in note 2.12 of the Consolidated Ind AS financial statements)</p> <p>For the year ended March 31, 2024 the Company has recognized revenue from contracts with customers amounting to ₹ 32,058.54 lakhs. Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that as principal, it typically controls the goods before transferring them to the customer.</p> <p>The variety of terms that define when control are transferred to the customer, as well as the high value of the transactions, give rise to the risk that revenue is not recognized in the correct period.</p> <p>Revenue is measured net of net of returns and allowances, cash discounts, trade discounts and volume rebates (collectively 'discount and rebates'). There is a risk that these discount and rebates are incorrectly recorded as it also requires a certain degree of estimation, resulting in understatement of the associated expenses and accrual.</p> <p>Revenue is also an important element of how the Company measures its performance. The Company focuses on revenue as a key performance measure, which could create an incentive for revenue to be recognized before the risk and rewards have been transferred.</p> <p>Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it was determined to be a key audit matter in our audit of the Consolidated Ind AS financial statements.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>* Assessed the Company's revenue recognition policy prepared as per Ind AS 115 'Revenue from contracts with customers'.</li> <li>* Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition, discounts and rebates.</li> <li>* Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. Further, in respect of the samples checked that the revenue has been recognized as per the shipping terms.</li> <li>* To test cut off selected sample of sales transactions made pre- and post-year end, agreeing the period of revenue recognition to third party support, such as transporter invoice and customer confirmation of receipt of goods.</li> <li>* Tested the provision calculations related to management incentives, discounts and rebates by agreeing a sample of amounts recognized to underlying arrangements with customers and other supporting documents.</li> <li>* Performed monthly analytical procedures of revenue by streams to identify any unusual trends.</li> <li>* Obtained confirmations from customers on sample basis to support existence assertion of trade receivables and assessed the relevant disclosures made in the financial statements; to ensure revenue from contracts with customers are in accordance with the requirements of relevant accounting standards.</li> </ul>
<b>3.</b>	<p><b>Assessment of net realizable value (NRV) of inventories</b> (Refer Note 7 and 2.10 to the consolidated financial statements).</p> <p>The Company's inventory comprises Raw Materials, Packing Materials, Work-in-Process, Finished Goods and Stores and Spares.</p> <p>Inventories of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat amounting to ₹ 4,408.20 lakhs (Previous Year - ₹ 5,283.90 lakhs) (Refer Note7) are offered as security by of hypothecation of Raw Materials, Finished Goods, Working in process, Packing Materials, Stores, Book Debts and Receivable for working capital facility provided by Banks.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>* Read and evaluated the accounting policies with respect to inventories.</li> <li>* Understood and evaluated the design and implementation and tested the operating effectiveness of the Company's internal financial control over valuation of inventories.</li> <li>* Tested on a sample basis that inventories are held at lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.</li> </ul>

Sr. No.	Key audit matters	How our audit addressed the key audit matter
		<p>* Cost of Finished goods and work in progress include materials cost, cost of conversion, depreciation, other overheads to the extent applicable but excluding borrowing costs.</p> <p>Based on the above procedures performed, we considered the management's assessment of valuation of inventories at lower of cost and NRV to be reasonable.</p>

We have determined that there are no other key audit matters to communicate in our report.

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report 2023-24, but does not include the Consolidated Ind AS financial statements and our auditor's report thereon.

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

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

### Management's Responsibility for the Consolidated Ind Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material

misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS 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 respective Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibility for the Audit of the Consolidated Ind AS Financial Statement

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

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

- \* Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- \* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate

internal financial controls system in place and the operating effectiveness of such controls.

- \* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- \* Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS 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 Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- \* Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entity included in the Consolidated Financial Statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatement in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the result of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit the financial statements and other financial information, in respect of a subsidiary whose Ind AS Financial Statements include total assets of ₹ 95.31 lakhs as at March 31, 2024, and total revenues of ₹ 18.18 lakhs for the year ended on that date. These Ind AS Financial Statement and other financial information have not been audited by other auditors and the unaudited financial statements and other financial information have been furnished to us by the management. Our opinion on the Consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report as furnished to us by the Management.

Our opinion above on the Consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Ind AS financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;
- (c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standard) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March



31, 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's companies, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act;

- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company incorporated in India, refer to our separate report in **"Annexure 1"** to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, Refer Note 32 to the Consolidated Ind AS financial statements.
  - ii. The Holding Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2024.
  - iv. (i) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note to the accounts, 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 person(s) or entity(ies), including foreign entities (intermediaries), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (ii) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note to the accounts, no funds have been received by the Company from in any other person(s) or entity(ies), including

foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (iii) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
  - v. There is no dividend declared or paid during the period by the Company and hence provisions of Section 123 of the Companies Act, 2013 are not applicable.
  - vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 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 softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 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.
- (h) The Holding Company has paid remuneration to its Executive Directors in excess of the limits specified in Section 197 of the Act for the Financial Year 2023-2024 as the Company has inadequate profits in terms of Section 198 of the Act. As per the explanations provided to us, the Company is in the process of complying with the prescribed statutory requirements to regularize such excess payment, including seeking approval of the shareholders, as necessary.

For **Rahul Gautam Divan & Associates**  
ICAI Firm registration number: 120294W  
Chartered Accountants

**Rahul Divan**  
Partner  
Membership No.: 100733  
UDIN: 24100733BKFLWJ8457

**Place:** Mumbai  
**Date:** May 23, 2024

# Annexure-1

To The Independent Auditor's Report of Even Date on The Consolidated Financial Statements of **DMCC Speciality Chemicals Limited** (Formerly Known As The Dharamsi Morarji Chemical Company Limited)

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

In conjunction with our audit of the consolidated financial statements of DMCC Speciality Chemicals Limited (formerly known as The Dharamsi Morarji Chemical Company Limited) as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of DMCC Speciality Chemicals Limited (formerly known as The Dharamsi Morarji Chemical Company Limited) (hereinafter referred to as the "Holding Company" or "the Company") which is incorporated in India as of that date. The subsidiary Company which is part of the Group is incorporated outside India and Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") is not applicable to the subsidiary Company.

### 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial

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

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

### Meaning of Internal Financial Controls Over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



## Opinion

In our opinion, 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.

For **Rahul Gautam Divan & Associates**  
ICAI Firm registration number: 120294W  
Chartered Accountants

### **Rahul Divan**

Partner  
Membership No.: 100733  
UDIN: 24100733BKFLWJ8457

**Place:** Mumbai  
**Date:** May 23, 2024

# Consolidated Balance Sheet

As at March 31, 2024

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STRATEGIC REVIEW  
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(₹ in lakhs)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	3 (a)	22,313.81	21,431.91
(b) Capital work-in-progress	3 (b)	588.91	1,133.41
(c) Goodwill		1,465.10	1,465.10
(d) Other Intangible Assets	3 (a)	41.94	54.10
(e) Right of Use Assets	34	11.93	23.86
(f) Other Non-Current Financial Assets			
(i) Non-Current Investments	4	37.19	39.00
(ii) Other Non-Current Assets	5	475.37	698.61
(g) Deferred Tax Assets (Net)	6	1,255.17	1,523.59
<b>Total Non-Current Assets</b>		<b>26,189.42</b>	<b>26,369.58</b>
<b>(2) Current Assets</b>			
(a) Inventories	7	4,408.20	5,283.90
(b) Financial Assets			
(i) Trade receivables	8	4,557.97	5,215.97
(ii) Cash and cash equivalents	9	281.37	158.20
(iii) Bank balances other than cash and cash equivalents	10	86.30	85.31
(iv) Others current financial assets	11	424.92	176.77
(c) Current Tax Assets (Net)	12	36.21	138.59
(d) Other Current Assets	13	1,742.32	2,669.52
<b>Total Current Assets</b>		<b>11,537.29</b>	<b>13,728.26</b>
<b>Total Assets</b>		<b>37,726.71</b>	<b>40,097.84</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	2,493.99	2,493.99
(b) Other Equity	15	18,459.54	17,331.46
<b>Total Equity</b>		<b>20,953.53</b>	<b>19,825.45</b>
<b>Liabilities</b>			
<b>(1) Non-Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Long Term Borrowings	16	5,776.66	6,760.56
(ii) Long Term Lease Liabilities	34	14.08	23.67
(b) Long Term Provisions	17	220.50	184.76
(c) Other Non-Current Liabilities	18	58.06	57.87
<b>Total Non-Current Liabilities</b>		<b>6,069.30</b>	<b>7,026.86</b>
<b>(2) Current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Short Term Borrowings	19	730.90	1,357.13
(ii) Short Term Lease Liabilities	34	0.73	3.93
(iii) Trade payables	20		
(a) Due to Micro & Small Enterprises		261.66	78.71
(b) Due to Other than Micro & Small Enterprises		6,216.79	8,135.25
(iv) Other financial liabilities	21	3,121.92	3,301.30
(b) Other current liabilities	22	322.47	337.19
(c) Provisions	23	49.41	32.02
<b>Total Current Liabilities</b>		<b>10,703.88</b>	<b>13,245.53</b>
<b>Total Liabilities</b>		<b>16,773.18</b>	<b>20,272.39</b>
<b>Total Equity and Liabilities</b>		<b>37,726.71</b>	<b>40,097.84</b>

Significant accounting policies and notes to Financial Statements (Note 2)

The accompanying notes referred to above which form an integral part of the Financial Statements

As per our report of even date

For **Rahul Gautam Divan & Associates**  
ICAI Firm registration number: 120294W  
Chartered Accountants

For and on behalf of the Board of Directors

**Rahul Divan**  
Partner  
Membership No.: 100733

**L.N. Goculdas**  
Chairman  
DIN: 00459347

**B.L. Goculdas**  
Managing Director & CEO  
DIN: 00422783

**S. V. Joshi**  
Independent Director  
DIN: 00392020

**Place:** Mumbai  
**Date:** May 23, 2024

**Sunil Kumar Goyal**  
Chief Financial Officer

**O. C. Mhamunkar**  
Company Secretary

# Consolidated Statement of Profit and Loss

For the year ended March 31, 2024

(₹ in lakhs)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>			
Revenue from Operations	24	32,795.17	38,665.09
Other Income	25	1,044.35	293.66
<b>Total Income</b>		<b>33,839.52</b>	<b>38,958.75</b>
<b>Expenses</b>			
Cost of Raw Materials Consumed	26	19,550.67	25,968.52
Purchase of Stock-in-Trade	27	-	-
Changes in Inventories of Finished Goods and Work in Progress	28	475.80	(1,176.63)
Employee Benefits Expenses	29	2,379.47	2,387.31
Finance costs	30	1,375.74	1,058.02
Depreciation and amortization expense	3(a)	1,571.26	1,760.58
Other Expenses	31	6,761.55	7,901.43
<b>Total Expense</b>		<b>32,114.48</b>	<b>37,899.23</b>
<b>Profit before tax</b>		<b>1,725.04</b>	<b>1,059.52</b>
<b>Tax Expense</b>			
Current Tax		296.26	189.83
Deferred Tax		269.89	176.63
		<b>566.14</b>	<b>366.46</b>
<b>Profit for the year</b>		<b>1,158.90</b>	<b>693.06</b>
<b>Other Comprehensive Income</b>			
(a) (i) Items that will not be reclassified to profit or loss		(32.70)	25.27
(ii) Income tax relating to items that will not be reclassified to Profit & Loss		1.46	(4.42)
(b) (i) Items that will be reclassified to Profit and Loss		0.42	(1.50)
(ii) income Tax relating to Items that will be reclassified to Profit and Loss		-	-
<b>Total Other Comprehensive Income</b>		<b>(30.82)</b>	<b>19.35</b>
<b>Total Comprehensive Income for year</b>		<b>1,128.08</b>	<b>712.41</b>
<b>Earnings per equity share (FV ₹ 10/- per share)</b>			
Basic & Diluted (in ₹)- Refer Note No. 36		4.65	2.78

Significant accounting policies and notes to Financial Statements (Note 2)

The accounting notes referred to above which form an interegral part of the Financial Statement.

As per our report of even date

For **Rahul Gautam Divan & Associates**  
ICAI Firm registration number: 120294W  
Chartered Accountants

For and on behalf of the Board of Directors

**Rahul Divan**  
Partner  
Membership No.: 100733

**L.N. Goculdas**  
Chairman  
DIN: 00459347

**B.L. Goculdas**  
Managing Director & CEO  
DIN: 00422783

**S. V. Joshi**  
Independent Director  
DIN: 00392020

**Place:** Mumbai  
**Date:** May 23, 2024

**Sunil Kumar Goyal**  
Chief Financial Officer

**O. C. Mhamunkar**  
Company Secretary

# Consolidated Cash Flow Statement

For the year ended March 31, 2024

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Net Profit before tax</b>	<b>1,722.15</b>	<b>1,050.20</b>
<b>Add:</b>		
1 Depreciation and amortisation	1,571.26	1,760.58
2 Interest charged	1,375.74	1,058.02
3 Unrealised Foreign Exchange Loss/(Gain)	41.69	313.53
4 (Gain)/Loss on sale of Investments	(844.28)	(98.67)
5 (Gain)/Loss on sale of PPE	(2.83)	(20.66)
	<b>2,141.57</b>	<b>3,012.80</b>
<b>Less:</b>		
1 Interest Income	37.13	13.33
2 Dividend Income	3.94	2.03
3 Increase/(decrease) in Value of Investment	-	(0.08)
	<b>41.07</b>	<b>15.28</b>
<b>Operating Profit before change in working capital</b>	<b>3,825.54</b>	<b>4,057.04</b>
<b>Working capital changes:</b>		
<b>Add/(Less):</b>		
1 (Increase)/Decrease in inventories	875.70	(1,084.89)
2 (Increase)/Decrease in trade receivables	616.31	(551.67)
3 (Increase)/Decrease in other financial assets	(248.15)	(107.55)
4 (Increase)/Decrease in other non-current assets	223.23	(321.93)
5 (Increase)/Decrease in other current assets	927.21	355.25
6 Increase/(Decrease) in trade payables	(1,735.50)	1,195.95
7 Increase/(Decrease) in other long term liabilities	0.19	0.86
8 Increase/(Decrease) in other current financial liabilities	(459.35)	(176.14)
9 Increase/(Decrease) in other current liabilities	(14.72)	(95.97)
10 Increase/(Decrease) in current provisions	17.38	18.15
11 Increase/(Decrease) in non-current provisions	4.92	1.04
	<b>207.22</b>	<b>(766.90)</b>
<b>Cash generated from operations</b>	<b>4,032.77</b>	<b>3,290.14</b>
<b>Add/(Less):</b>		
Direct taxes paid (Net of refunds)	(195.34)	(302.07)
<b>Net Cash inflow from Operating Activities (A)</b>	<b>3,837.42</b>	<b>2,988.07</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
<b>Add:</b>		
1 Proceeds from sale of Property, Plant & Equipment	2.83	20.66
2 Proceeds from sale of Investment	846.25	98.67
3 Interest received	37.13	13.33
4 Dividend received	3.94	2.03
	<b>890.15</b>	<b>134.69</b>
<b>Less:</b>		
1 Purchase of Property, Plant & Equipment/increase in Capital WIP	(1,894.16)	(2,190.62)
2 Purchase of Investment	(0.15)	-
	<b>(1,894.31)</b>	<b>(2,190.62)</b>
<b>Net Cash inflow from Investing Activities (B)</b>	<b>(1,004.16)</b>	<b>(2,055.93)</b>
<b>C CASH FLOW FROM FINANCIAL ACTIVITIES:</b>		
<b>Add:</b>		
1 Proceeds/(Repayment) from borrowings Net of repayment (Current)	(626.23)	(412.58)
2 Proceeds/(Repayment) from borrowings Net of repayment (Non-Current)	(704.27)	735.14
3 Increase in Restricted Bank Balances other than cash & cash equivalents	(0.99)	(14.53)
	<b>(1,331.49)</b>	<b>308.03</b>
<b>Less:</b>		
1 Interest and other finance costs	(1,378.60)	(1,058.02)
2 Payment of Equity Dividend	-	(249.40)
	<b>(1,378.60)</b>	<b>(1,307.42)</b>
<b>Net Cash inflow from Financing Activities (C)</b>	<b>(2,710.09)</b>	<b>(999.39)</b>
I. Net (decrease)/increase in cash and cash equivalents	123.17	(67.25)
II. <b>Add:</b> Cash and cash equivalents at the beginning of the period	158.20	225.45
III. Cash and cash equivalents at the end of the period	<b>281.37</b>	<b>158.20</b>

## Reconciliation forming Statement of Cash Flows

(₹ in lakhs)

Particular	For the year ended March 2024	For the year ended March 2023
Opening balance	10,086.79	9,301.31
Cash inflow/(Outflow) of non-current borrowing	(983.89)	735.14
Cash inflow/(Outflow) of current borrowing	(346.60)	50.34
Closing Balance	8,756.30	10,086.79

As per our report of even date

For **Rahul Gautam Divan & Associates**  
ICAI Firm registration number: 120294W  
Chartered Accountants

For and on behalf of the Board of Directors

**Rahul Divan**  
Partner  
Membership No.: 100733

**L.N. Goculdas**  
Chairman  
DIN: 00459347

**B.L. Goculdas**  
Managing Director & CEO  
DIN: 00422783

**S. V. Joshi**  
Independent Director  
DIN: 00392020

**Place:** Mumbai  
**Date:** May 23, 2024

**Sunil Kumar Goyal**  
Chief Financial Officer

**O. C. Mhamunkar**  
Company Secretary

# Consolidated Statement of Changes in Equity

For the year ended March 31, 2024

## A. Equity Share Capital

Particular	No. of Shares	₹ in lakhs
<b>Balance as at March 31, 2023</b>	<b>2,49,39,933</b>	<b>2,493.99</b>
Changes in equity share capital during FY 2023-24	-	-
<b>Balance as at March 31, 2024</b>	<b>2,49,39,933</b>	<b>2,493.99</b>

## B. Other Equity

(₹ in lakhs)

Particular	Reserves and Surplus						Total
	Securities Premium Reserve	Capital Redemption Reserve	Other Reserves	Retained Earnings	Foreign Currency Translation Reserves	Other items of Other Comprehensive Income	
<b>Balance at March 31, 2023</b>	<b>1,714.81</b>	<b>280.00</b>	<b>66.59</b>	<b>15,146.19</b>	<b>7.39</b>	<b>116.48</b>	<b>17,331.46</b>
Profit for the year	-	-	-	1,158.90	-	-	1,158.90
Translation Reserve of Subsidiary	-	-	-	-	0.42	-	0.42
Other Comprehensive Income	-	-	-	-	-	(31.24)	(31.24)
<b>Total Comprehensive Income (Net of Tax)</b>	<b>1,714.81</b>	<b>280.00</b>	<b>66.59</b>	<b>16,305.09</b>	<b>7.81</b>	<b>85.24</b>	<b>18,459.54</b>
Equity Dividend Paid (Including Dividend Distribution Tax)	-	-	-	-	-	-	-
<b>Balance at March 31, 2024</b>	<b>1,714.81</b>	<b>280.00</b>	<b>66.59</b>	<b>16,305.09</b>	<b>7.81</b>	<b>85.24</b>	<b>18,459.54</b>

(₹ in lakhs)

Particular	Reserves and Surplus						Total
	Securities Premium Reserve	Capital Redemption Reserve	Other Reserves	Retained Earnings	Foreign Currency Translation Reserves	Other items of Other Comprehensive Income	
<b>Balance at March 31, 2022</b>	<b>1,714.81</b>	<b>280.00</b>	<b>66.59</b>	<b>14,702.53</b>	<b>8.15</b>	<b>96.36</b>	<b>16,868.44</b>
Profit for the year	-	-	-	693.06	-	-	693.06
Translation Reserve of Subsidiary	-	-	-	-	(0.76)	-	(0.76)
Other Comprehensive Income	-	-	-	-	-	20.12	20.12
<b>Total Comprehensive Income (Net of Tax)</b>	<b>1,714.81</b>	<b>280.00</b>	<b>66.59</b>	<b>15,395.59</b>	<b>7.39</b>	<b>116.48</b>	<b>17,580.86</b>
Equity Dividend Paid (Including Dividend Distribution Tax)	-	-	-	(249.40)	-	-	(249.40)
<b>Balance at March 31, 2023</b>	<b>1,714.81</b>	<b>280.00</b>	<b>66.59</b>	<b>15,146.19</b>	<b>7.39</b>	<b>116.48</b>	<b>17,331.46</b>

Significant accounting policies and notes to Financial Statements (Note 2)

As per our report of even date

For **Rahul Gautam Divan & Associates**  
ICAI Firm registration number: 120294W  
Chartered Accountants

For and on behalf of the Board of Directors

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Chairman  
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**B.L. Goculdas**  
Managing Director & CEO  
DIN: 00422783

**S. V. Joshi**  
Independent Director  
DIN: 00392020

**Place:** Mumbai  
**Date:** May 23, 2024

**Sunil Kumar Goyal**  
Chief Financial Officer

**O. C. Mhamunkar**  
Company Secretary

# Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2024

## Note 1: Corporate Information

The Consolidated Financial Statement comprises of financial statement of **DMCC Speciality Chemicals Ltd** (formerly known as The Dharamsi Morarji Chemical Company Ltd) and its subsidiary (collectively, the Group) for the year ended March 31, 2024. DMCC Speciality Chemicals Ltd (the Company) is a Public Limited Company domiciled in India. Its shares are listed on the Bombay Stock Exchange Limited (BSE) & National Stock Exchange (NSE). The Group is engaged in the business of manufacturing and selling of Commodity Chemicals and Speciality Chemicals.

DMCC (Europe) GmbH (formerly known as Borax Morarji Europe GmbH), Germany is engaged in the business of selling Commodity Chemicals and Speciality Chemicals.

Information on related party relationships of the Company is provided in Note 40.

The financial statements are authorised for issue in accordance with a resolution of the Board of Directors on May 23, 2024.

## Note 2: Significant Accounting Policies

### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS. The consolidated financial statements have been prepared on historical cost basis except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instrument).

The consolidated financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs (INR'00,000), except otherwise indicated.

### 2.2 Basis of Consolidation

The consolidated financial statements comprises the financial statement of **DMCC Speciality Chemicals Ltd** and its subsidiary as at March 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- ii) Exposure, or rights, to variable returns from its involvement with the investee; and

- iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- i) The contractual arrangement with the other vote holders of the investee;
- ii) Rights arising from other contractual arrangements;
- iii) The Group's voting rights and potential voting rights;
- iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances if material, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of DMCC (Europe GmbH) formerly Borax Morarji GmbH, Germany used for the purpose of consolidation are drawn up to same reporting date as that of the parent Company, i.e., year ended on March 31, 2024. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

The unaudited financial statements as on March 31, 2024 of the Wholly Owned Subsidiary Company have been compiled by Chartered Accountancy firm based in Germany. The subsidiary Company being Joint Stock Company under German Law, there is no obligation for audit based on the size criteria.

### 2.3 Consolidation Procedure

**Subsidiaries:**

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intraGroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). IntraGroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS - 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- (i) Derecognises the assets (including goodwill) and liabilities of the subsidiary;
  - (ii) Derecognises the carrying amount of any non-controlling interests;
  - (iii) Derecognises the cumulative translation differences recorded in equity;
  - (iv) Recognises the fair value of the consideration received;
  - (v) Recognises the fair value of any investment retained;
  - (vi) Recognises any surplus or deficit in profit or loss;
  - (vi) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.
- d) Change in ownership interest:

The Group treats transaction with non-controlling interests that do not result in a loss of control as transaction with the equity owners of the Group. A change in ownership interest results in adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interest in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

**2.4 Property, plant and equipment****a) Property, plant and equipment:**

Property, Plant and equipment were carried in the balance sheet prepared in accordance with Indian GAAP on the basis of their historical cost less accumulated depreciation and impairment as on the date of transition i.e. April 01, 2016. The Group has elected to regard those written down values as deemed cost as at the date of the transition as per the option available to the Group, as fair value, while adopting Ind AS for the first time except for certain Land acquired by the Group upon merger of erstwhile Borax Morarji Limited has been stated at fair value as per the valuation report obtained by the Group.

Property, Plant and Equipment are stated at cost of acquisition or construction, including attributable interest and financial costs till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.

The expenditure incurred during the period of construction (including cost of trial runs, stores issued, expenses on labour allocated for such purpose) is debited to capital work-in-progress and on completion, the costs are allocated to the respective items of Property, Plant and Equipment. Interest on specific borrowings relating to acquisition of fixed assets is capitalised up to the date of commissioning.

**Derecognition:**

An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

**b) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is measured at their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there





is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

#### **Derecognition:**

An item of intangible initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

### **2.5 Depreciation/Amortization**

Depreciation on all items of Property, Plant and Equipment is provided for on Straight Line basis over the estimated useful life specified in schedule II to the Companies Act, 2013.

Depreciation on additions and deletions during the year is provided on pro-rata basis.

Cost of leasehold land is amortised over the period of lease.

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

### **2.6 Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. 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.

### **2.7 Non-Current Assets held for Sale**

Non-current assets are classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less cost to sale. Losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognized in the Statement of Profit and Loss. Once

classified as held for sale, Property, Plant and Equipment and Intangible Assets are no longer depreciated or amortized.

### **2.8 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended period when active development activities on the qualifying assets is interrupted. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### **2.9 Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### **Group as a lessee**

The Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the useful life of the asset or the balance lease term of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset shall be separately presented in the Balance Sheet and lease payments shall be classified as financing cash flows.

## 2.10 Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

**Raw materials:** purchase cost on a weighted average basis;

Cost of Finished goods and work in progress include materials cost, cost of conversion, depreciation, other overheads to the extent applicable but excluding borrowing costs.

## 2.11 Trade receivables

Trade receivables are carried at original invoice amount less any provisions for doubtful debts. For the Expected Credit Loss (ECL) simplified approach is adopted by the Group as permissible. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision available and then to the income statement.

## 2.12 Revenue recognition

Revenue from sale of goods is recognized at the fair value of the consideration received or receivable, net of returns and trade discounts, rebates, GST.

Revenue from contract with customers is recognised when control of the goods are transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods.

Goods sold on consignment are recorded as inventory until goods are sold by the consignee to the end customer.

Export benefits available under prevalent schemes are accounted to the extent considered receivable. These are presented as other operating income in the Statement of Profit & Loss.

Earning from sale of power generated from Wind Mills is accounted for on tariff rate agreed and as per Power Purchase agreement with respective Electricity Board.

Royalty and service income are recognized on an accrual basis in accordance with the terms of the relevant contractual agreement.

Interest income is recognised on accrual basis.

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Dividend income on investment is recognized in the Statement of Profit and Loss Account on the date on which the Group's right to receive is established.

The Group earns revenue primarily from sale of products.

## 2.13 Employee Benefits

### Contribution Plans:

Contributions to the Company's Provident Fund, Family Pension Fund, Superannuation Fund are being charged to the Statement of Profit and Loss.

### Benefits Plans:

The Group has the scheme which enables employees to encash the accumulated privilege leave (upto stipulated limits) on retirement. The Group's liability in respect of this leave encashment scheme is determined on the basis of actuarial valuation and the same is charged to the Statement of Profit & Loss and is unfunded. Gratuity Benefits (based on actuarial valuation) is charged to Statement of Profit & Loss and is unfunded.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The service cost and the net interest cost are charged to the Statement of Profit and Loss. Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the actuarial assumptions used for valuation. The Group recognizes these re-measurements in the Other Comprehensive Income (OCI).

## 2.14 Taxes

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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

### Deferred tax

Significant management judgment is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax could change if estimates of projected future taxable income or if tax regulations undergo a change.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is reviewed at each reporting date.



The benefit of credit against the payment made towards Minimum Alternate Tax for the earlier years is available in accordance with the provisions of the Section 115JAA of Income Tax Act, 1961 over the period of subsequent 15 assessment year. The Group recognises MAT Credit Available as an Asset only to the extent that there is convincing evidence that the Group will pay Normal Income Tax during the specified period, i.e. the period for which MAT Credit is allowed to be carried forward. The Group reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

## 2.16 Provisions, Contingent Liabilities and Contingent Assets

### Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss.

### Contingent Liabilities

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the Group or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

### Contingent Assets

Contingent Assets are only disclosed when it is probable that the economic benefits will flow to the Group.

## 2.17 Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

## 2.18 Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred (measured at acquisition date at fair value) and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous

interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Group recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

## 2.19 Current and Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/Non-Current classification.

### An asset as current when it is:

- » Expected to be realised or intended to be sold or consumed in normal operating cycle;
- » Held primarily for the purpose of trading;
- » Expected to be realised within twelve months after the reporting period; or
- » Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non-Current.

### A liability is current when:

- » It is expected to be settled in normal operating cycle;
- » It is held primarily for the purpose of trading;
- » It is due to be settled within twelve months after the reporting period; or
- » There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as Non-Current.

Deferred tax assets and liabilities are classified as Non-Current Assets and Non-Current liabilities, as the case may be.

## 2.20 Financial Instruments

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

## a) Financial Assets

### Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

### (i) Financial assets

#### Cash and bank balances

Cash and bank balances consist of:

- **Cash and Cash equivalents:** which includes Cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of Cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.
- **Other bank balances:** which includes balances and deposits with banks that are restricted for withdrawal and usage.

#### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Investment in Subsidiaries

Investment in Subsidiaries is carried at cost in the financial statements.

#### Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income. The Group recognises life time expected credit losses for all trade receivables that

do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

### De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

## b) Financial Liabilities and Equity Instruments

### Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

### Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs, if any.

### Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, during the effective interest rate method where the time value of money is significant. Interest bearing issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

### Initial recognition and measurement

The Group's financial liabilities include trade and other payables, loans and borrowings including cash credit accounts and derivative financial instruments like Forward Cover Contracts.

Financial liabilities are classified, at initial recognition, as at fair value through profit and loss or as those measured at amortised cost.

### Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

#### Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading. The Group has not



designated any financial liabilities upon initial recognition at fair value through profit and loss.

### De-recognition of Financial Liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expired.

## 2.21 Derivative Financial Instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts generally to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank and these are generally designated as hedges. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss. Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss. Assets/liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date. The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

## 2.22 Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: • In the principal market for the asset or liability; or • In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1-** Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2-** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

**Level 3-** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable for assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Group's management determine the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the management verify the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## 2.23 Investment Properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on evaluation every three years performed by an accredited external independent valuer, at every 3 years rest, by applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

## 2.24 Cash & Cash equivalents and Short Term deposits

Cash and Cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Group's cash management.

## 2.25 Research and Development Costs

Research costs are expensed as incurred. Development expenditure on an individual project are recognized as an Intangible asset when the Group can demonstrate:

- (i) Technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- (ii) It's intention to complete and its ability and intentions to use or sell the asset;
- (iii) How the asset will generate future economic benefits;
- (iv) The availability of resources to complete the asset;
- (v) The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized

over the period of expected future benefits. Amortization expenses is recognized in the Statement of Profit and Loss. During the period of development, the asset is tested for impairment annually.

## **2.26 Cash dividend to equity Shareholders**

The Group recognises a liability to make cash or distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. 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.

## **2.27 Recent Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



**Note 3:**  
**(a) Property, Plant and Equipment**

i) Tangible Assets

Particulars	(₹ in lakhs)									
	Free Hold Land	Lease Hold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computer	Total	Capital work in progress
<b>Gross carrying amount</b>										
Deemed cost as at April 01, 2023	282.59	1,852.73	4,976.25	19,338.52	118.02	169.81	81.24	117.42	26,936.56	
Additions	-	-	25.07	2,363.03	7.47	-	9.76	15.41	2,420.74	
Disposals	-	-	-	-	-	-	-	-	-	
<b>As at March 31, 2024</b>	<b>282.59</b>	<b>1,852.73</b>	<b>5,001.32</b>	<b>21,701.54</b>	<b>125.48</b>	<b>169.81</b>	<b>91.00</b>	<b>132.83</b>	<b>29,357.30</b>	
<b>Accumulated Depreciation</b>										
As at April 01, 2023	-	188.99	724.40	4,305.54	53.98	89.84	52.65	89.26	5,504.65	
Depreciation charge for the year	-	20.44	143.58	1,330.23	10.25	16.70	4.71	12.93	1,538.84	
Disposals	-	-	-	-	-	-	-	-	-	
<b>As at March 31, 2024</b>	<b>-</b>	<b>209.43</b>	<b>867.98</b>	<b>5,635.77</b>	<b>64.22</b>	<b>106.54</b>	<b>57.36</b>	<b>102.19</b>	<b>7,043.49</b>	
<b>Net book value</b>										
As at April 01, 2023	282.59	1,663.74	4,251.85	15,032.97	64.04	79.97	28.59	28.16	21,431.91	1,133.41
As at March 31, 2024	282.59	1,643.30	4,133.34	16,065.77	61.26	63.27	33.63	30.64	22,313.81	588.91

Particulars	(₹ in lakhs)									
	Free Hold Land	Lease Hold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computer	Total	Capital work in progress
<b>Gross carrying amount</b>										
Deemed cost as at April 01, 2022	282.59	1,852.73	2,477.88	14,785.92	100.67	169.66	74.66	109.27	19,853.37	
Additions	-	-	2,498.37	4,730.84	17.35	17.23	6.57	8.15	7,278.51	
Disposals	-	-	-	(178.24)	-	(17.08)	-	-	(195.32)	
<b>As at March 31, 2023</b>	<b>282.59</b>	<b>1,852.73</b>	<b>4,976.25</b>	<b>19,338.52</b>	<b>118.02</b>	<b>169.81</b>	<b>81.24</b>	<b>117.42</b>	<b>26,936.56</b>	
<b>Accumulated Depreciation</b>										
As at April 01, 2022	-	168.16	420.60	3,128.43	44.30	82.86	45.64	75.75	3,965.74	
Depreciation charge for the year	-	20.82	303.80	1,352.80	9.68	19.26	7.00	13.51	1,726.88	
Disposals	-	-	-	(175.68)	-	(12.28)	-	-	(187.96)	
<b>As at March 31, 2023</b>	<b>-</b>	<b>188.99</b>	<b>724.40</b>	<b>4,305.54</b>	<b>53.98</b>	<b>89.84</b>	<b>52.65</b>	<b>89.26</b>	<b>5,504.65</b>	
<b>Net book value</b>										
As at April 01, 2022	282.59	1,684.57	2,057.27	11,609.49	56.37	86.80	29.02	33.52	15,839.62	6,282.47
As at March 31, 2023	282.59	1,663.74	4,251.85	15,032.97	64.04	79.97	28.59	28.16	21,431.91	1,133.41

ii) Intangible Assets

(₹ in lakhs)

Particulars	Software	Goodwill	Total	Intangible Assets under Development
<b>Gross carrying amount</b>				
<b>Deemed cost as at April 01, 2023</b>	<b>162.93</b>	<b>1,465.10</b>	<b>1,628.03</b>	
Additions	8.17	-	8.17	
Disposals	-	-	-	
Exchange differences	-	-	-	
<b>As at March 31, 2024</b>	<b>171.10</b>	<b>1,465.10</b>	<b>1,636.20</b>	
<b>Accumulated Depreciation</b>				
<b>As at April 01, 2023</b>	<b>108.83</b>	<b>-</b>	<b>108.83</b>	<b>-</b>
Depreciation charge for the year	20.33	-	20.33	
Disposals	-	-	-	
<b>As at March 31, 2024</b>	<b>129.16</b>	<b>-</b>	<b>129.16</b>	<b>-</b>
<b>Net book value</b>				
<b>As at April 01, 2023</b>	<b>54.10</b>	<b>1,465.10</b>	<b>1,519.30</b>	<b>-</b>
<b>As at March 31, 2024</b>	<b>41.94</b>	<b>1,465.10</b>	<b>1,507.04</b>	<b>-</b>

(₹ in lakhs)

Particulars	Software	Goodwill	Total	Intangible Assets under Development
<b>Gross carrying amount</b>				
<b>Deemed cost as at April 01, 2022</b>	<b>152.99</b>	<b>1,465.10</b>	<b>1,618.09</b>	
Additions	9.84	-	9.84	
Disposals	-	-	-	
Exchange differences	-	-	-	
<b>As at March 31, 2023</b>	<b>162.83</b>	<b>1,465.10</b>	<b>1,627.93</b>	
<b>Accumulated Depreciation</b>				
<b>As at April 01, 2022</b>	<b>86.97</b>	<b>-</b>	<b>86.97</b>	<b>-</b>
Depreciation charge for the year	21.76	-	21.76	
Disposals	-	-	-	
<b>As at March 31, 2023</b>	<b>108.73</b>	<b>-</b>	<b>108.73</b>	<b>-</b>
<b>Net book value</b>				
<b>As at April 01, 2022</b>	<b>66.30</b>	<b>1,465.10</b>	<b>1,531.40</b>	<b>-</b>
<b>As at March 31, 2023</b>	<b>54.10</b>	<b>1,465.10</b>	<b>1,519.20</b>	<b>-</b>

Depreciation Charged to Profit and Loss Account

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Tangible Assets	1,538.85	1,726.88
ii) Intangible Assets	20.33	21.76
iii) Lease Assets	11.94	11.94
	<b>1,571.12</b>	<b>1,760.58</b>

(b) Capital Work-in-Progress

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening Carrying Value as at April 01</b>	<b>1,133.41</b>	<b>6,282.47</b>
Addition/Adjustment	1,857.02	2,932.20
Transfer to property, plant and equipment	2,401.52	8,081.27
<b>Closing Carrying value as at March 31</b>	<b>588.91</b>	<b>1,133.41</b>



## Aging Schedule

As on March 31, 2024

(₹ in lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	400.04	188.87	-	-	588.91

As on March 31, 2023

(₹ in lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	661.65	471.76	-	-	1,133.41

## Note 4: Non-Current Investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
<b>Investments in Equity Instruments</b>				
<b>Unquoted equity instruments</b>				
Fully Paid Equity Shares of ₹ 10/- each in Janakalyan Sahakari Bank Ltd.	369,250	36.93	369,250	36.92
Fully Paid Equity Shares of ₹ 10/- each in Saraswat Co-operative Bank Ltd.	2,500	0.25	1,000	0.10
Fully Paid Equity Shares of ₹ 25/- each in Shamrao Vitthal Co-operative Bank Ltd.	25	0.01	25	0.01
Fully Paid Equity Shares of ₹ 50/- each in Dombivali Nagari Sahakari Bank Ltd.	-	-	3,000	1.50
Fully Paid Equity Shares of ₹ 10/- each in Indian Potash Ltd.	-	-	56,500	0.47
<b>Aggregate amount of unquoted Investments</b>		<b>37.19</b>		<b>39.00</b>

## Note 5: Other Non-Current Assets

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, Considered Good</b>		
Capital Advances	145.06	403.15
Security deposits	330.31	295.46
	<b>475.37</b>	<b>698.61</b>

## Note 6: Deferred Tax Assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets	2,816.44	2,451.97
Deferred Tax Liabilities	(1,561.27)	(928.38)
	<b>1,255.17</b>	<b>1,523.59</b>

(₹ in lakhs)

Particulars	As on April 01, 2023	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2024
<b>Deferred tax liability in relation to:</b>				
Property, Plant and Equipment	(928.38)	(632.89)	-	(1,561.27)
<b>Total Deferred Tax Liabilities</b>	<b>(928.38)</b>	<b>(632.89)</b>	<b>-</b>	<b>(1,561.27)</b>

(₹ in lakhs)

Particulars	As on April 01, 2023	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2024
<b>Deferred tax asset in relation to:</b>				
Provision for Leave encashment	16.95	-	-	16.95
Provision for Gratuity	46.24	(15.46)	-	30.78
MAT Credit entitlement	2,388.78	379.93	-	2,768.71
<b>Total Deferred Tax Assets</b>	<b>2,451.97</b>	<b>364.47</b>	<b>-</b>	<b>2,816.44</b>
<b>Net Deferred Tax</b>	<b>1,523.59</b>	<b>(268.42)</b>	<b>-</b>	<b>1,255.17</b>

(₹ in lakhs)

Particulars	As on April 01, 2022	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2023
<b>Deferred tax liability in relation to:</b>				
Property, Plant and Equipment	(748.46)	(179.92)	-	(928.38)
<b>Total Deferred Tax Liabilities</b>	<b>(748.46)</b>	<b>(179.92)</b>	<b>-</b>	<b>(928.38)</b>
<b>Deferred tax asset in relation to:</b>				
Provision for Leave encashment	19.85	(2.90)	-	16.95
Provision for Gratuity	44.47	1.77	-	46.24
MAT Credit entitlement	2,388.78	-	-	2,388.78
<b>Total Deferred Tax Assets</b>	<b>2,453.10</b>	<b>(1.13)</b>	<b>-</b>	<b>2,451.97</b>
<b>Net Deferred Tax</b>	<b>1,704.64</b>	<b>(181.05)</b>	<b>-</b>	<b>1,523.59</b>

#### Note 7: Inventories (Basis of Valuation - Refer Note 2.10) (as taken, valued and certified by the Management)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Materials	747.00	1,099.42
Raw Material in Transit	-	71.94
Packing Materials	60.54	115.38
Work-in-Process	1,229.85	1,199.62
Finished Goods	1,215.93	1,736.91
Stores and Spares	1,154.88	1,060.63
	<b>4,408.20</b>	<b>5,283.90</b>

**Note:** Inventories of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat amounting to ₹ 4,408.20 lakhs (Previous Year ₹ 5,283.90 lakhs) are offered as security by of hypothecation of Raw Materials, Finished Goods, Working in process, Packing Materials, Stores, Book Debts and Receivable for working capital facility provided by Banks.

#### Note 8: Trade Receivables

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Trade receivables outstanding</b>		
<b>Considered Good - Secured</b>	-	-
<b>Considered Good - Unsecured</b>		
Receivable from Related Parties	38.79	28.41
Others	4,519.18	5,187.56

**Note 8: Trade Receivables** (Contd.)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Considered Doubtful	-	-
	<b>4,557.97</b>	<b>5,215.97</b>
<b>Less:</b> Provision for doubtful debts	-	-
	<b>4,557.97</b>	<b>5,215.97</b>

Receivables of ₹ 4,557.97 lakhs (Previous Year ₹ 5,215.97 lakhs) pertaining to Roha Unit in the State of Maharashtra and Dahej Unit in the State of Gujarat are hypothecated as security for working capital facility provided by the Bank.

Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality.

Generally, the Company supplies as per the order received from its customers. The average Credit period on sale is 30-90 days.

**Trade receivables ageing schedule for the year ended as on March 31, 2024 and March 31, 2023**

(₹ in lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at March 31, 2024</b>						
Undisputed Trade Receivable - considered good	4,330.40	72.09	59.20	32.60	63.68	4,557.97
Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable - credit impaired	-	-	-	-	-	-
Disputed Trade Receivable - considered good	-	-	-	-	-	-
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>4,330.40</b>	<b>72.09</b>	<b>59.20</b>	<b>32.60</b>	<b>63.68</b>	<b>4,557.97</b>
<b>Less:</b> Expected Credit Loss (ECL)	-	-	-	-	-	-
<b>Total Trade Receivable</b>	<b>4,330.40</b>	<b>72.09</b>	<b>59.20</b>	<b>32.60</b>	<b>63.68</b>	<b>4,557.97</b>
<b>As at March 31, 2023</b>						
Undisputed Trade Receivable - considered good	5,100.85	31.19	7.46	22.90	53.57	5,215.97
Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable - credit impaired	-	-	-	-	-	-
Disputed Trade Receivable - considered good	-	-	-	-	-	-
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>5,100.85</b>	<b>31.19</b>	<b>7.46</b>	<b>22.90</b>	<b>53.57</b>	<b>5,215.97</b>
<b>Less:</b> Expected Credit Loss (ECL)	-	-	-	-	-	-
<b>Total Trade Receivable</b>	<b>5,100.85</b>	<b>31.19</b>	<b>7.46</b>	<b>22.90</b>	<b>53.57</b>	<b>5,215.97</b>

**Note 9: Cash and Cash Equivalents**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Bank Balances in Current Accounts	279.16	156.42
Cash on hand	2.21	1.78
	<b>281.37</b>	<b>158.20</b>

**Note 10: Bank Balances other than Cash & Cash equivalents**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid Dividend Account	48.82	49.46
Margin Money Deposit Account	37.48	35.85
	<b>86.30</b>	<b>85.31</b>

Margin money deposit has been given to various Banks for issuance of Bank Guarantee's.

**Note 11: Others Current Financial Assets**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed Deposit with banks more than 3 months but less than 12 months	424.92	176.77
	<b>424.92</b>	<b>176.77</b>

**Note 12: Current Tax Assets (Net)**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax (Net of Provision for Taxation)	36.21	138.59
	<b>36.21</b>	<b>138.59</b>

**Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Accounting Profit before Income tax	1,722.15	1,050.20
At India's statutory income tax rate of 29.12% for FY 2023-24 & 29.12% for FY 2022-23	501.49	305.82
Adjustments in respect of current income tax w.r.t. MAT tax rate and Normal tax rate	(206.31)	(117.91)
Current tax	295.18	187.91
At the effective income tax rate	17.14%	17.89%

The Company falls under the MAT for the year ended March 31, 2024 and March 31, 2023.

**Note 13: Other Current Assets (Unsecured, Considered Good)**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Government Authorities	619.94	1,603.31
Pre-paid Expense	215.74	241.93
Advances to Supplier	153.81	93.23
Others Advances	8.34	9.27
Others*	744.49	721.78
	<b>1,742.32</b>	<b>2,669.52</b>

\*Others include ₹ 450.00 lakhs (Previous year ₹ 500.00 lakhs) receivable in respect of sale of Land at Ambernath in earlier years by erstwhile Borax Morarji Ltd. The Company is pursuing the matter for obtaining the necessary approval from the Government of Maharashtra, on receipt of which the Conveyance deed will be executed & registered in due course and includes ₹ 156.48 lakhs paid as Pre-deposit Demand of Differential Duty by CESTAT for the Appeal against the Order of Commissioner (Appeals), Mumbai of Customs.) The Appeal is pending at CESTAT, Mumbai, and will come up for hearing in due course of time. (Refer Note. 32).

## Note 14: Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
<b>Authorized Share Capital</b>				
<b>Equity Shares</b>				
Equity Shares of ₹ 10/- each	4,00,00,000	4,000.00	4,00,00,000	4,000.00
<b>Preference Shares</b>				
Preference Shares of ₹ 100/- each	20,00,000	2,000.00	20,00,000	2,000.00
	<b>4,20,00,000</b>	<b>6,000.00</b>	<b>4,20,00,000</b>	<b>6,000.00</b>
<b>Shares issued, subscribed and fully Paid up</b>				
Equity Shares of ₹ 10/- each	2,49,39,933	2,493.99	2,49,39,933	2,493.99
	<b>2,49,39,933</b>	<b>2,493.99</b>	<b>2,49,39,933</b>	<b>2,493.99</b>

### Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
<b>Equity Shares</b>				
Equity Shares at the beginning of the year	2,49,39,933	2,493.99	2,49,39,933	2,493.99
<b>Add:</b> Shares Issued during the year	-	-	-	-
Equity Shares at the end of the year	2,49,39,933	2,493.99	2,49,39,933	2,493.99

### Terms and Rights attached to Equity Shares

The Company is having only one class of Equity shares having a nominal value of ₹ 10/- per share. Every holder of the equity share of the Company is entitled to one vote per share held. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution to the Equity shareholders will be in proportion of the number of shares held by each shareholder.

### Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held:

Promoters Shareholding		As at March 31, 2024			As at March 31, 2023		
Sr. No.	Promoters Name	No of Shares	% of Total Shares	% change during the year	No of Shares	% of Total Shares	% change during the year
1.	Shri Laxmikumar Narottam Goculdas	90,44,691	36.27%	0.11%	90,18,420	36.16%	0%

## Note 15: Other Equity

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Security Premium Reserves	1,714.81	1,714.81
(ii) Capital Redemption Reserve	280.00	280.00
(iii) Other Reserves	66.59	66.59
(iv) Retained Earnings	16,305.09	15,146.19
(v) Foreign Currency Translation Reserves	7.81	7.39
(vi) Other Comprehensive Income	85.24	116.48
	<b>18,459.54</b>	<b>17,331.46</b>

**(i) Security Premium Reserve**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1,714.81	1,714.81
<b>Add:</b> Premium on shares issued during the year	-	-
<b>Balance at the end of the year Share Premium(HO)</b>	<b>1,714.81</b>	<b>1,714.81</b>

Securities premium reserve is used to record the premium on issue of shares. The reserve is eligible for utilisation in accordance with the provision of the Companies Act, 2013.

**(ii) Capital Redemption Reserve**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	280.00	280.00
<b>Add:</b> Transfer during the year	-	-
<b>Balance at the end of the year</b>	<b>280.00</b>	<b>280.00</b>

**(iii) Other Reserve**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	66.59	66.59
<b>Add:</b> Transfer during the year	-	-
<b>Balance at the end of the year</b>	<b>66.59</b>	<b>66.59</b>

Other reserve represents Capital subsidy received from various state Government.

**(iv) Retained Earnings**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	15,146.20	14,702.53
<b>Add:</b> Profit for the year	1,158.90	693.06
<b>Less:</b> Equity Dividend Paid	-	(249.40)
<b>Balance at the end of the year</b>	<b>16,305.10</b>	<b>15,146.19</b>

Retained earnings are used from time to time to transfer profits from retained earnings for appropriation purposes. The amount that can be distributed by the Company as dividend to its equity shareholders is determined as per the provision of the Companies act and the dividend distribution policy of the Company.

**(v) Foreign Currency Translation Reserves**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	7.39	8.15
<b>Add:</b> Transfer during the year	0.42	(0.76)
<b>Balance at the end of the year</b>	<b>7.81</b>	<b>7.39</b>

**(vi) Other Comprehensive Income**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	116.48	96.36
OCI for the year	(31.24)	20.12
<b>Balance at the end of the year</b>	<b>85.24</b>	<b>116.48</b>

OCI represents the cumulative gains and losses arising on the revaluation of financial assets and liabilities measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

## Note 16: Long Term Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Term Loan</b>		
<b>(a) Secured</b>		
<b>From Bank &amp; Fianancail Institutions</b>		
(i) Car Loan from Financial Institutions	0.17	3.34
(ii) Term Loan from Bank	4,812.07	5,805.80
	<b>4,812.24</b>	<b>5,809.14</b>
<b>(b) Unsecured</b>		
<b>From Other Parties</b>		
Fixed Deposits	957.25	948.50
Accrued Interst on Fixed Deposits	7.17	2.92
	964.42	951.42
<b>Total Long Term Borrowings</b>	<b>5,776.66</b>	<b>6,760.56</b>

### (a) (i) Car Loan from a bank/Financial Institutions

Loans against vehicles are for a period of three to five years and repayable by way of equated monthly installment, Interest rate ranges from 9.50%. Secured against hypothecation of Vehicles.

Out of total outstanding Car loan as on March 31, 2024 of ₹ 3.34 lakhs (Previous Year: ₹ 6.29 lakhs), amount due in next twelve months is ₹ 3.17 lakhs.

(Previous Year: ₹ 2.95 lakhs), which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities' (See Note No. 21 (1)(ii)).

The balance Car Loan of ₹ 0.17 lakhs (Previous Year: ₹ 3.34 lakhs) is shown above as Car loan from Bank/Non-Banking Financial Institution.

### (a) (ii) Project Loan from bank

i) **Sanctioned Term Loan:** ₹ 700.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 347.20 lakhs (Previous Year ₹ 483.15 lakhs). Repayable in 60 EMI's commencing from June 2021. Rate of interest is 10.25%.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

ii) **Sanctioned Term Loan:** ₹ 1,500.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 375.00 lakhs (Previous Year ₹ 675.00 lakhs). Repayable in 60 EMI's commencing from July 15, 2020. Rate of interest is 11.00%.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Dahej.

iii) **Sanctioned Term Loan:** ₹ 1,875.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 1,272.37 lakhs (Previous Year ₹ 1,667.73 lakhs).

Repayable in 60 EMI's commencing from April 30, 2022. Rate of interest is 11.00%.

Secured against mortgage of land and building of the Company, both present and future, situated at Dahej.

iv) **Sanctioned Term Loan:** ₹ 600.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 526.70 lakhs (Previous Year ₹ 621.12 lakhs).

Repayable in 60 EMI's commencing from April 30, 2022. Rate of interest is 11.00%.

Secured against mortgage of land and building of the Company, both present and future, situated at Dahej.

v) **Sanctioned Term Loan:** ₹ 2,625.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 1,823.27 lakhs (Previous Year ₹ 2,373.31 lakhs). Repayable in 60 EMI's commencing from May 31, 2022. Rate of interest is 11.00%.

Secured against mortgage of land and building of the Company, both present and future, situated at Roha.

vi) **Sanctioned Term Loan:** ₹ 790.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 697.95 lakhs. (Prvious Year ₹ 398.04 lakhs), Repayable in 60 EMI's commencing from September 10, 2023. Rate of interest is 11.00%.

Secured against mortgage of land and building of the Company, both present and future, situated at Roha.

vii) **Sanctioned Term Loan:** ₹ 1,330.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 816.14 lakhs (Previous Year ₹ 1,078.61 lakhs). Repayable in 60 EMI's commencing from June 09, 2023. Rate of interest is 11.80%.

Secured against mortgage of land and building of the Company, both present and future, situated at Roha.

viii) **Sanctioned Term Loan:** ₹ 475.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 449.00 lakhs (Previous Year ₹ 475.00 lakhs). Repayable in 60 EMI's commencing from February 24, 2024. Rate of interest is 9.25%.

Secured against mortgage of land and building of the Company, both present and future, situated at Roha.

- ix) **Sanctioned Term Loan:** ₹ 1,750.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 500.00 lakhs (Previous Year Nil). Repayable in 60 EMI's commencing from March 31, 2025. Rate of interest is 11.00%. 60 EMI's are remaining to be paid as on that date.

Secured against mortgage of land and building of the Company, both present and future, situated at Roha.

- x) **Sanctioned Term Loan:** ₹ 250.00 lakhs. Current Outstanding as on March 31, 2024 is ₹ 250.00 lakhs (Previous Year Nil). Repayable in 60 EMI's commencing from March 31, 2025. Rate of interest is 11.00%. 60 EMI's are remaining to be paid as on that date.

Secured against mortgage of land and building of the Company, both present and future, situated at Roha.

Out of total outstanding term loan as on March 31, 2024 of ₹ 7,060.97 lakhs (Previous Year ₹ 7,778.24 lakhs), amount due in next twelve months is ₹ 2,248.74 lakhs. (Previous Year ₹ 1,969.09 lakhs), which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities' (See Note No. 21 (1)(iii)). The balance Term Loan of ₹ 4,812.24 lakhs (Previous Year ₹ 5,809.14 lakhs) is shown in above term loan for Project & other corporate purpose.

### Note 17: Long Term Provisions

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Provision for Employee Benefits</b>		
Provision for Gratuity	143.66	121.48
Provision for Leave benefit	76.84	63.28
	<b>220.50</b>	<b>184.76</b>

### Note 18: Other Non-Current Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Security Deposits from distributors and others	26.51	26.51
(ii) Security Deposits received against royalty	31.55	31.36
	<b>58.06</b>	<b>57.87</b>

### Note 19: Short-Term Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(a) Secured</b>		
<b>From Banks</b>		-
Cash Credit Facilities	-	481.97
Working Capital Demand Loan	500.24	328.87
Export Packing Credit	230.66	546.29
	<b>730.90</b>	<b>1,357.13</b>

Bank has sanctioned Working Capital facility against hypothecation of all Current Assets, present and future. Inventories and Receivables of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat are offered as security and Mortgage of Office Premises of the Company situated at Mumbai.

### Note 20: Trade Payables

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Outstanding due to Micro and Small Enterprise	261.66	78.71
(ii) Trade Payable other than Micro and Small Enterprise	2,970.08	3,635.87
(iii) Bills Payable	3,246.71	4,499.38
	<b>6,478.45</b>	<b>8,213.96</b>



**20.1** Payment towards trade is made as per the terms and condition of the contract/purchase order. Average Credit period is 30-90 days.

**20.2** Information as required to be furnished under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2024 is given below. The information has been determined to the extent such parties have been identified by the Company on the basis of the information available with the Company and the Auditors have relied on the same.

**The disclosure pursuant to MSMED Act is as under:**

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
(i) Principal amount due and remaining unpaid	20.83	78.71
(ii) Interest due on above and the unpaid interest	0.36	2.34
(iii) Interest paid in terms of Section 16 of the MSMED Act	-	-
(iv) Amount of payments made to supplier beyond the appointed day	-	-
(v) Amount of interest due and payable for the period of delay on payment made beyond the appointed day during the year without adding interest specified under MSMED Act	-	-
(vi) Amount of Interest accrued and remaining unpaid	0.36	2.34
(vii) Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under Section 23 of the MSMED Act	-	-

**Trade Payables ageing schedule for the year ended as on March 31, 2024 and March 31, 2023:**

Particulars	(₹ in lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at March 31, 2024</b>					
MSME	261.66	-	-	-	261.66
Others	2,929.02	41.06	-	-	2,970.08
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
<b>As at March 31, 2023</b>					
MSME	78.71	-	-	-	78.71
Others	3,444.61	191.26	-	-	3,635.87
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-

### Note 21: Other Financial Liabilities

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>1 Current maturities of long-term debt</b>		
(i) Current maturities of Long Term Debts (Car Loan)	3.17	2.95
(ii) Current maturities of Long Term Debts (Loan)	2,245.56	1,966.14
	<b>2,248.73</b>	<b>1,969.09</b>
<b>2 Unpaid Dividend (Amount Transferable to Investor Education &amp; Protection Fund when due)</b>	48.64	49.27
<b>3 Unpaid Matured Fixed Deposits (Unclaimed)</b>	0.01	0.11
	<b>2,297.38</b>	<b>2,018.47</b>
<b>4 Others Payable</b>		
(i) Trade Deposit	77.53	77.53
(ii) Advance received from customers	76.08	127.92
(iii) Others	670.93	1,077.38
	<b>824.54</b>	<b>1,282.83</b>
	<b>3,121.92</b>	<b>3,301.30</b>

**Note 22: Other Current Liabilities**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	68.97	56.80
Due to Employees	253.50	280.39
	<b>322.47</b>	<b>337.19</b>

**Note 23: Provisions (Current)**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Provision for Employee Benefits</b>		
Provision for Gratuity	39.90	21.07
Provision for Leave benefits	9.51	10.95
	<b>49.41</b>	<b>32.02</b>

**Note 24: Revenue from Operations**

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from Contracts with Customers</b>		
Sale of Chemical Products	<b>32,058.54</b>	<b>38,161.43</b>
<b>Other Operating Revenues</b>		
- Royalty	29.10	64.11
- Export Incentives	191.26	219.11
- Other Operating Income	498.48	191.47
- Wind Mills	17.79	28.96
	<b>736.63</b>	<b>503.65</b>
	<b>32,795.17</b>	<b>38,665.09</b>
<b>Revenue from Contracts with Customers</b>		
<b>1. Disaggregated revenue information</b>		
Set out below is the disaggregation of the Company's revenue from contract with Customers:		
<b>Segment</b>		
Chemicals	32,058.54	38,161.43
Traded sales	-	-
	<b>32,058.54</b>	<b>38,161.43</b>
<b>Geographical</b>		
India	23,055.26	25,751.81
Outside India	9,003.28	12,409.62
	<b>32,058.54</b>	<b>38,161.43</b>
<b>Timing of Revenue Recognition</b>		
Goods transferred at a point in time	<b>32,058.54</b>	<b>38,161.43</b>
<b>2. Contract Balances</b>		
<b>The following table provides information about receivables, contract assets and contract liabilities from contracts with customers</b>		
Trade Receivables	4,557.97	5,215.97
<b>Contract Liabilities</b>		
Advances from Customers	76.08	127.92

**Note 24: Revenue from Operations** (Contd.)

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>3. Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price</b>		
Revenue as per contracted price	32,616.23	38,981.09
<b>Adjustments</b>		
Significant financing component		
Sales return	129.02	322.05
Rebate	-	-
Discount	428.67	497.60
<b>Revenue from contract with customers</b>	<b>32,058.54</b>	<b>38,161.43</b>
<b>4. The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31, 2024</b>		
Advances from customers	<b>76.08</b>	<b>127.92</b>

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

**Note 25: Other Income**

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income	37.13	13.33
Dividend Income	3.94	2.03
Profit on Sale of Fixed Assets	2.83	20.89
Profit on Sales of Investment (net of brokerage)	844.28	98.67
Other non-operating income	156.02	126.74
Sundry Credit Balances Written Back	0.15	32.01
	<b>1,044.35</b>	<b>293.66</b>

**Note 26: Cost of Material Consumed**

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of Raw Materials	19,467.15	25,875.54
Consumption of Packing Materials	83.52	92.98
	<b>19,550.67</b>	<b>25,968.52</b>

**Note 27: Purchase of Stock in Trade**

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchased of Goods Traded	-	-
	-	-

**Note 28: Changes in Inventories of Finished Goods, Work-in-Process and Trade Goods (as certified by the Management)**

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Inventory at the beginning of the year</b>		
Work-in-Process	1,199.62	313.23



## Note 28: Changes in inventories of Finished Goods, Work in process and Trade Goods (as certified by the Management) (Contd.)

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Finished Goods	1,721.96	1,431.73
	<b>2,921.58</b>	<b>1,744.96</b>
<b>Inventory at the end of the year</b>		
Work in Process	1,229.85	1,199.62
Finished Goods	1,215.93	1,721.96
	<b>2,445.78</b>	<b>2,921.58</b>
	<b>475.80</b>	<b>(1,176.63)</b>

## Note 29: Employee Benefits Expense

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and Wages (Net after Repairs)(*)	1,913.61	1,914.57
Contribution to Provident Fund	136.00	116.94
Contribution to Other Funds (Gratuity, Superannuation, etc)	55.90	83.77
Staff Welfare Expenses	273.97	272.02
	<b>2,379.47</b>	<b>2,387.31</b>
(*) Salaries & Wages allocated to Repairs etc.	60.17	60.98

## Note 30: Finance Cost

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Finance Cost</b>		
Interest Paid to Banks	825.38	628.29
Interest paid to Others	501.54	389.71
Interest paid on Lease	1.97	3.03
Bank Chareges	46.85	36.99
<b>Total</b>	<b>1,375.74</b>	<b>1,058.02</b>

## Note 31: Other Expenses

(₹ in lakhs)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Power, Fuel and Water	1,439.07	1,694.90
Repairs to buildings	79.74	67.34
Repairs to machinery	1,030.24	1,719.43
Research & Development Expenses	108.93	125.91
Insurance	231.99	174.70
Rates and taxes	93.15	21.51
Director fees and Commission to Non Whole-Time Directors	29.77	52.80
Internal handling, Freight and carriage outward	1,730.48	1,911.73
Net loss/(gain) on foreign currency transactions	41.69	313.53
<b>Auditors Remuneration</b>		
Audit fees	12.75	12.75
For other services	8.85	9.85
Reimbursement of out of pocket expenses	0.46	0.43
	<b>22.06</b>	<b>23.03</b>

**Note 31: Other Expenses** (Contd.)

(₹ in lakhs)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Sundry Balances Written off	3.56	11.80
Written Down Value Assets Scrapped/Loss on Sale of Fixed Assets/ Investments	-	0.23
Expenditure on Corporate Social Responsibility initiatives	56.05	65.22
Miscellaneous expenses*	1,894.82	1,719.32
	<b>6,761.55</b>	<b>7,901.43</b>

\*None of the item individually accounts for more than ₹ 10,00,000/- or 1% of revenue whichever is higher.

**Note 32: Contingent Liabilities**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>A Contingent Liabilities</b>		
(i) Outstanding claims in respect of Excise Duty/Custom Duty, etc.	1,554.60	1,554.60
(ii) Guarantees issued by banks	39.00	33.34
(iii) Claims against Group not acknowledged as debts	34.77	34.77

The Group has reviewed all its pending litigations & proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable. The Group does not expect the outcome of these proceedings to materially adverse effect.

The Group has received Differential Duty demand of ₹ 14.33 crores (on Import of crude/un-refined Sulphur during the period 2004-2005 to 2008-2009, provisionally assessed then), at concessional rate of Basic Customs Duty in term of Entry at Sr. No. 60 of Notification No. 21/2002- Cus dated March 01, 2002 which granted concessional rate of basic customs duty on the import of "Crude or unrefined Sulphur" falling under Chapter Sub-Heading No. 2503 00 of Customs Tariff). The Group has now filed Appeal before CESTAT being Appeal No. C/89904/2018 - DB dated January 02, 2019 (against the Order dated February 07, 2018 of the Commissioner (Appeals), Mumbai) and deposited an amount of ₹ 1.43 crores (being the 10% of the alleged demand of differential duty of ₹ 14.33 crores), as a condition precedent for the Appeal before the CESTAT. The Appeal is pending at CESTAT, Mumbai, and will come up for hearing in course of time. Based on the legal advice the Group is confident to successfully succeed in the appeal.

The Group had imported Rock Phosphate (for the manufacture of Fertilizer viz. Single Superphosphate) and the Bill of Entry for the consignments of Rock Phosphate imported during the period 2005-2006 to 2007-2008, were provisionally assessed and goods were allowed to be cleared with "Nil" Special additional Duty (SAD for short) falling under Chapter heading, Sub-heading or tariff item "31 or any other chapter" of the first Schedule of Customs Tariff. Subsequently, the Department raised an alleged demand of ₹ 1.21 crores on account of the enhancement of declared value (Invoice value on which duty was assessed provisionally) and denial of "Nil" (SAD) under Notification- 20/2006-Cus dated March 01, 2006 on the alleged ground that the Group had allegedly failed to submit the relevant documents which could prove that the imported Rock Phosphate was used for the manufacturing of "fertilizer". The Group has now filed Appeal before CESTAT being Appeal No. C/89910/2018 - DB dated January 02, 2019 (against the Order dated February 07, 2018 of the Commissioner (Appeals), Mumbai) and deposited an amount of ₹ 12.16 lakhs being the 10% of the alleged demand of ₹ 1.21 crores. The Appeal is pending at CESTAT, Mumbai and will come up for hearing in course of time. Based on the legal advice the Group is confident to successfully succeed in the appeal.

**Note 33: Commitments**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated Amount of Contracts remaining to be executed on Capital Account & not provided for (Net of Advances)	20.13	666.57

**Note 34: Leases**

The Company as lessee, has long term lease contract for one of its Office premises. Lease of Office generally has lease terms of 4 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios. There are no major lease contracts that include extension and termination options and variable lease payments.

**Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:**  
(₹ in lakhs)

Paticular	Leasehold Office
As at March 31, 2023	23.86
Additions	-
Depreciation Expenses	11.93
Termination	-
<b>As at March 31, 2024</b>	<b>11.93</b>

**Set out below are the carrying amounts of lease liabilities and the movements during the period:**  
(₹ in lakhs)

Paticular	Leasehold Office
As at March 31, 2023	27.60
Additions	-
Accretion of Interest	1.97
Payments	14.76
Termination	-
<b>As at March 31, 2024</b>	<b>14.81</b>

**The following are the amounts recognised in profit or loss:**  
(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation expense of right-of-use assets	11.93	11.93
Interest expense on lease liabilities	1.97	3.03
Expense relating to short-term leases and low value leases (included in other expenses)	26.38	22.38
<b>Total amount recognised in profit or loss</b>	<b>40.28</b>	<b>37.34</b>

The Group has total cash outflows for leases of ₹ 40.28 lakhs in March 31, 2024 (₹ 37.34 lakhs in March 31, 2023). There are no non-cash additions to right-of-use assets and lease liabilities.

### Note 35: Corporate Social Responsibility

AAs per Section 135 of the Companies Act, 2013, a Group meeting the applicability threshold needs to spend at least 2% of its average net profits for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The Group has constituted a Corporate Social Responsibility (CSR) Committee. The Group has specified the projects in education field, promoting preventive healthcare and sanitation. Modalities of utilisation of funds on the specified project and monitoring and reporting mechanism has been defined.

The Group have spent an amount of ₹ 56.05 lakhs (Previous year ₹ 65.22 lakhs) towards several CSR activities.

**Corporate Social Responsibility expenditure is as follows:**  
(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Amount required to be spent by the Company during the year	56.00	63.80
Amount of expenditure incurred	56.05	65.22
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	-	-

Particulars	As at March 31, 2024	As at March 31, 2023
Nature of CSR activities	Conservation of flora and fauna and bio-diversity, promoting education, healthcare including covid relief, women empowerment, social empowerment, hostel and boarding for poor childrens and differently abled childrens, old age home and flood relief.	Conservation of flora and fauna and bio-diversity, promoting education, healthcare including covid relief, women empowerment, social empowerment, hostel and boarding for poor childrens and differently abled childrens, old age home and flood relief.
Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant AS.	-	-
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA

### Note 36: Earning Per Share

EPS amount are calculated by dividing the profit for the year attributed to Equity holders of the Company by weighted average number of Equity shares outstanding during the year.

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Profit attributable to Equity share holder of the Group	1,158.90	693.06
Weighted Average Number of Equity Shares	2,49,39,933	2,49,39,933
Earning per Equity Shares (Basic & Diluted)	4.65	2.78

### Note 37: Risk Management Framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the Risk management policies. The risks are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

#### A. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (i));
- liquidity risk (see (ii)); and
- market risk (see (iii)).

##### i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's

receivables from customers, loans and investments. The carrying amount of financial assets represents the maximum credit risk exposure.

##### Trade receivables

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Group and existence of previous financial difficulties.

##### Expected credit loss for trade receivables

The Group based on internal assessment which is driven by the historical experience/current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its

allowance for trade receivable using lifetime expected credit loss and accordingly provision is made for the doubtful debts.

#### Expected credit loss on financial assets other than trade receivables

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on these financial assets.

#### ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group's reputation.

The Group's finance and accounts department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

#### iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates that will affect the Group'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 optimising the return.

#### Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Group. The currencies in which the Group is exposed to risk are generally USD and EUR. The Group follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contract.

#### Exposure to currency risk - Unhedged

Particulars	As at March 31, 2024			As at March 31, 2023		
	Currency	₹ in lakhs		Currency	₹ in lakhs	
Trade Receivables	USD	20,98,505	1,749.61	USD	27,55,276	2,265.30
	EURO	1,57,238	141.86	EURO	4,90,912	439.89
			<b>1,891.46</b>			2,705.20
Hedged Position	USD	-	0.00	USD	-	0.00
			<b>1,891.46</b>			2,705.20
Trade Payable	USD	6,05,554	(504.87)	USD	37,638	(30.94)
<b>Net Exposure to Currency Risk</b>			<b>1,386.59</b>			2,674.25

#### Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EUR against all other currencies at 31 March would have affected the measurement of financial exposure denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast sales and purchases.

Particulars	(₹ in lakhs)			
	As at March 31, 2024		As at March 31, 2023	
	Profit or Loss		Profit or Loss	
	Strengthening	Weakening	Strengthening	Weakening
USD 1% Movement	12.45	(12.45)	22.34	(22.34)
EURO 1% Movement	1.42	(1.42)	4.40	(4.40)

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in rupees of fixed rates of interest. The Group has exposure to interest rate risk, arising principally on changes in base lending rate.

In order to optimize the Group's position with regard to 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 the fixed rate and floating rate financial instruments in its total portfolio.



(i) The exposure of borrowings to interest rate changes at the end of reporting period are as follows:

(₹ in lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
Fixed rate borrowings	7,791.87	9,135.37
Interest Swap	-	-
<b>Net Exposure after Swap</b>	<b>7,791.87</b>	<b>9,135.37</b>

Particulars	As at March 31, 2024			As at March 31, 2023		
	Weighted average interest rate (%)	Balance	% of total loans	Weighted average interest rate (%)	Balance	% of total loans
Term Loans	9.93%	7,060.97	90.62%	9.30%	7,778.24	85.14%
Loans repayable on demand	7.86%	730.90	9.38%	8.78%	1,357.13	14.86%
<b>Net exposure to cash flow interest rate risk</b>		<b>7,791.87</b>			<b>9,135.37</b>	

(ii) Sensitivity

Profit/loss is not sensitive to higher/lower interest expense from borrowings as the interest rates are fixed.

**B. Capital management**

For the purpose of Group's Capital Management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's Capital Management is to maximise the share holder value.

The Group manages its capital structure and make adjustment in light of changes in economic conditions and requirements co venants.

**Note 38: Other Additional Information**

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	₹ in lakhs	%	₹ in lakhs	%
<b>(i) Value of Raw Materials and Boughtouts, Stores, Spares and Components Consumed</b>				
<b>a) Raw Materials and Boughtouts</b>				
Imported	529.51	2.71	1,867.54	7.19
Indigenous	19,021.16	97.29	24,100.97	92.81
	<b>19,550.67</b>	<b>100.00</b>	<b>25,968.52</b>	<b>100.00</b>

(₹ in lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	₹ in lakhs	%	₹ in lakhs	%
<b>b) Stores, Spares and Components</b>				
Indigenous			858.52	1,592.17
<b>(ii) Value of Imports Calculated on CIF Basis</b>				
Raw Materials & Boughtouts			497.83	1,645.96
<b>(iii) Expenditure in Foreign Currency</b>				
			478.96	114.24
<b>(iv) Earnings in Foreign Currency in Respect of</b>				
Export of goods calculated on FOB basis			8,575.15	11,522.78

## Note 39: Segment Reporting

### a) Primary Business Segment:

The Group is engaged in manufacture of Chemicals. As the Group is engaged only in one business segment.

### b) Secondary Geographical Segment

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Sales Turnover</b>		
i) In India	23,055.26	25,751.81
ii) Outside India	9,003.28	12,409.62
<b>Total</b>	<b>32,058.54</b>	<b>38,161.43</b>

## Note 40: Related Parties Disclosures

Names of related parties	Nature of Relationship
(i) Shri Laxmikumar Narottam Goculdas	Promoter and Chairman (holding more than 20% of the voting power of the Group)
(ii) The Natural Gas Co. Pvt. Ltd.	Enterprises under the Control of Promoter
(iii) L.P. Gas Equipment Pvt. Ltd.	Enterprises under the Control of Promoter
(iv) L.P. Gas Transport & Bottling Co. Pvt. Ltd.	Enterprises under the Control of Promoter
(v) Phoenix Distributors Pvt. Ltd.	Enterprises under the Control of Promoter
(vi) Jasraj Trading Co.	Enterprises under the Control of Promoter
(vii) Kosan Industries Pvt. Ltd.	Enterprises under the Control of Promoter
(viii) Bombay Foods Pvt. Ltd.	Enterprises under the Control of Promoter
(ix) Falcon Chemicals LLC, Dubai	Enterprises under the Control of Promoter
(x) Ms. Mitika Laxmikumar Goculdas	Daughter of Promoter and Chairman and non Executive Director
(xi) Shri Bimal Lalitsingh Goculdas	Key Managerial Person - Managing Director and Chief Executive Officer
(xii) Shri Dilip Trimbak Gokhale	Key Managerial Person - Executive Director
(xiii) Shri Sunil Kumar Goyal	Key Managerial Person - Chief Finance Officer (from May 18, 2023)
(xv) Shri Omkar Mhamunkar	Key Managerial Person - Company Secretary
(xvi) Shri Chirag J. Shah	Key Managerial Person - Chief Finance Officer (upto February 10, 2023)

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A Transaction with Promoters holding more than 20% of the voting power</b>		
Sitting Fees for attending Board and Committee meetings - Shri Laxmikumar Narottam Goculdas	2.25	2.50
Commission paid to Promoter- Shri Laxmikumar Narottam Goculdas	4.84	12.33
<b>B</b> Sitting Fees for attending Board Meeting to Ms. Mitika Laxmikumar Goculdas	2.25	2.50
Commission paid to Promoter - Ms. Mitika Laxmikumar Goculdas	1.94	4.93
<b>C Transactions with Related Parties and Non-Executive Directors</b>		
<b>(i) Transaction with Non Executive Directors</b>		
Shri Sanjeev Vishwanath Joshi Sitting Fees for attending Board & Committee meetings	3.25	3.50
Commission Paid	1.94	4.93
Shri Madhu Thakorlal Ankleshwaria Sitting Fees for attending Board & Committee meetings	3.25	3.50
Commission Paid	1.94	4.93

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
Shri Mukul Manoharlal Taly	Sitting Fees for attending Board & Committee meetings	2.50	2.50
	Commission Paid	1.94	4.93
Dr. (Mrs.) Janaki Ashwin Patwardhan	Sitting Fees for attending Board & Committee meetings	1.75	2.00
	Commission Paid	1.94	4.25
<b>D Transactions relating to Key Management Personnel</b>			
<b>(i) Remuneration</b>			
Shri Bimal Lalitsingh Goculdas		132.38	151.85
Shri Dilip Trimbak Gokhale		53.29	48.75
Shri Sunil Kumar Goyal (from May 18, 2023)		30.64	-
Shri Omkar Chnadrakant Mhamunkar		18.52	15.28
Shri Chirag Shah (upto February 10, 2023)		-	33.07
		<b>234.82</b>	<b>248.94</b>
<b>(ii) Perquisites and Other Benefits</b>			
Shri Bimal Lalitsingh Goculdas		44.29	34.57
Shri Dilip Trimbak Gokhale		1.13	0.57
Shri Sunil Kumar Goyal (from May 18, 2023)		0.30	-
Shri Omkar Chnadrakant Mhamunkar		1.06	0.78
Shri Chirag Shah (upto February 10, 2023)		-	0.27
		<b>46.77</b>	<b>36.18</b>
		<b>281.59</b>	<b>285.13</b>

Related party relationships are as identified by the Group and relied upon by the Auditors.

#### Note 41: Employee Benefits

The Group has made provision for following benefit plans as per Accounting Standard 15 (Revised 2005) "Employee Benefits".  
**Defined Benefit Plans/Long Term Compensated Absences:**

As per Actuarial Valuation as on March 31, 2024, the required data is as follows:

##### I. Continuing Employees:

Particulars		Apr 23/Mar 24	Apr 23/Mar 24	Apr 22/Mar 23	Apr 22/Mar 23
<b>A Expense recognised in the statement of Profit &amp; Loss Account for period ended March 31, 2024</b>		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1.	Current Service Cost	22.49	5.81	20.02	5.49
2.	Interest Cost	19.02	2.8	17.77	2.5
3.	Past Service Cost (vested benefits)	-	-	-	-
4.	Expected Return on plan assets	(1.77)	-	-	-
5.	Actuarial (Gain)/Losses	10.92	1.63	17.64	4.87
6.	<b>Total Expenses</b>	<b>50.66</b>	<b>10.24</b>	<b>55.43</b>	<b>12.86</b>
<b>B Net Assets/(Liability) recognised in the Balance Sheet as at March 31, 2024</b>					
1.	Present value of Defined Benefit Obligation as at March 31, 2024	304.02	45.49	270.85	43.73
2.	Fair Value of plan assets as at March 31, 2024	9.21	-	13.97	-
3.	Funded Status [(Surplus)/(Defecit)]	(294.81)	(45.49)	(256.88)	(43.73)
4.	Net asset/(Liability) as at March 31, 2024	(294.81)	(45.49)	(256.88)	(43.73)

**I. Continuing Employees:** (Contd.)

(₹ in lakhs)

Particulars	Apr 23/Mar 24	Apr 23/Mar 24	Apr 22/Mar 23	Apr 22/Mar 23
<b>C Change in Obligation during the period ended March 31, 2024</b>				
1. Present value of Defined Benefit Obligation at the beginning of the year	270.85	43.74	239.94	36.32
2. Current Service Cost	22.49	5.81	20.02	5.49
3. Interest Cost	19.02	2.80	17.77	2.5
4. Settlement Cost	-	-	-	-
5. Past Service Cost - (Vested Benefits)	-	-	-	-
6. Employee Contribution/transfer	-	-	-	-
7. Actuarial (Gain)/Losses	10.92	1.63	17.64	4.87
8. Benefits Payments	(19.26)	(5.44)	(24.52)	(5.44)
9. Present value of Defined Benefit Obligation at the end of the year	304.02	48.54	270.85	43.74
<b>D Change in Assets During the period ended March 31, 2024</b>				
1. Plan assets at the beginning of the year	13.96	-	14.61	-0.00
2. Settlements	-	-	-	-
3. Expected return on plan assets	1.77	-	1.85	0.00
4. Contributions by employers	-	-	-	-
5. Actual benefits paid	-	-	-	-
6. Actuarial (Gain)/(Losses)	-	-	(2.50)	-
7. Plan assets at the end of the year	15.73	-	13.96	-
<b>E Actuarial Assumptions:</b>				
1. Discount Rate	7.00%	7.00%	7.25%	7.25%
2. Mortality Rate	IALM2012-14	IALM2012-14	IALM2012-14	IALM2012-14

**Note 42: Other Statutory Informations**

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) Details of relationship with struck off companies:

As per the information available with the Group, following are the transactions with struck off companies:

(₹ in lakhs)

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding/ Nominal Value of Shares (Amount in lakhs)	Relationship with struck off Company, if any
<b>Shares held by Struck off Company</b>			
NA	NA	NA	NA

(iii) The Group does not have any charges or satisfaction thereof, which is yet to be registered with ROC beyond the statutory period.

(iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the year.

(v) The Group 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:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Group 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 Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Group has no 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.

- (viii) The Group holds all the title deeds of immovable property in its name.
- (ix) The Group is not declared as wilful defaulter by any bank or financial Institution or other lender.
- (x) The Group is required to file any quarterly returns/statements with the bank.
- (xi) There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (xii) The Group has complied with the number of layers prescribed under clause (87) of Section 2 of the Act

read with Companies (Restriction on Number of Layers) Rules, 2017.

**Note 43:**

As per the requirements of rule 3(1) of the Companies (Accounts Rules 2014 the Company uses accounting software for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account alongwith the date when such changes were made within such accounting software. This feature of recording audit trail has operated throughout the year except for certain transactions, changes made through specific access and for direct database changes and no audit trail features were tampered during the year.

**Note 44:**

Figures in respect of the previous year have been regrouped/rearranged wherever necessary.

## Note 45: Group Information

The Consolidated Financial Statement of the group includes subsidiary is mentioned below:

Sr. No.	Name of the Entity	Country of incorporation	Nature	Ownership interest held by the group	Year Ended	Net Assets, i.e. Total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
						As% of Consolidated Net Assets	Amount (₹ in lakhs)	As% of Consolidated Profit or Loss	Amount (₹ in lakhs)	As% of Consolidated Other Comprehensive Income	Amount (₹ in lakhs)	As% of Consolidated total Comprehensive Income	Amount (₹ in lakhs)
i)	<b>DMCC Speciality Chemicals Ltd (formerly known as The Dharamsi Moraji Chemical Company Ltd)</b>	India	Parent Company		<b>March 31, 2024</b>	<b>99.82%</b>	<b>20,915.77</b>	<b>99.84%</b>	<b>1,157.08</b>	<b>101%</b>	<b>(31.24)</b>	<b>99.80%</b>	<b>1,125.84</b>
					March 31, 2023	99.82%	19,789.93	98.93%	685.67	104%	20.12	99.07%	705.79
ii)	<b>Foreign Subsidiaries having No minority interest</b>	Germany	Wholly Owned Subsidiary	100%	<b>March 31, 2024</b>	<b>0.18%</b>	<b>37.76</b>	<b>0.16%</b>	<b>1.82</b>	<b>(0.01)</b>	<b>0.42</b>	<b>0.20%</b>	<b>2.24</b>
	DMCC (Europe) GmbH (formerly known as Borax Moraji Europe GmbH)				March 31, 2023	0.18%	35.52	1.07%	7.39	-4%	(0.77)	0.01%	6.62
	<b>Total</b>				<b>March 31, 2024</b>	<b>100%</b>	<b>20,953.53</b>	<b>100%</b>	<b>1,158.90</b>	<b>100%</b>	<b>(30.82)</b>	<b>100%</b>	<b>1,128.08</b>
	<b>Total</b>				March 31, 2023	100%	19,825.45	100%	693.06	100%	19.35	99%	712.41

As per our report of even date

For **Rahul Gautam Divan & Associates**  
ICAI Firm registration number: 120294W  
Chartered Accountants

**Rahul Divan**  
Partner  
Membership No.: 100733

**Place:** Mumbai  
**Date:** May 23, 2024

For and on behalf of the Board of Directors

**L.N. Goculdas**  
Chairman  
DIN: 00459347

**B.L. Goculdas**  
Managing Director & CEO  
DIN: 00422783

**S. V. Joshi**  
Independent Director  
DIN: 00392020

**Sunil Kumar Goyal**  
Chief Financial Officer

**O. C. Mhamunkar**  
Company Secretary



**DMCC Speciality Chemicals Limited**

Formerly known as The Dharamsi Morarji  
Chemical Company Limited

Prospect Chambers,  
317/321, Dr. Dadabhoy Naoroji Road,  
Fort, Mumbai – 400 001.

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CIN : L24110MH1919PLC000564

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