

Securing today Shaping Tomorrow



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FY22 Performance Highlights

(₹ IN CRORE)

326.30

REVENUE FROM OPERATIONS

46.09

EBITDA

34.14

PROFIT BEFORE TAX (PBT)



Forward-looking statements

This document contains statements about expected future events, financial and operating results of The Dharamsi Morarji Chemical Company Limited (DMCC), 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 of The Dharamsi Morarji Chemical Company Limited's Annual Report, FY22.

Securing today Shaping Tomorrow



In our journey of over a century, we, at DMCC, have learned from our failures, adapted to the evolving market conditions and taken future-focused decisions. It hasn't been easy, yet our strength lies in our perseverance and tenacity. With these qualities, we have established a strong business as a fully integrated speciality chemicals player.

Now, we must secure the business – secure today for all those associated with us. Our long legacy and strong chemical expertise play a key role. To gain a competitive edge, we expanded our capacities in bulk chemicals. This one-time investment will go a long way for us. The bulk chemicals act as raw materials for speciality chemicals and enable us to be the lowest cost producer in our speciality chemical offerings.

With our today firmly secured, we are writing our next chapter. With 103 years of chemical manufacturing experience and high ambitions, we are ready to shape tomorrow. Speciality chemicals will continue to be our focus. We will continue to concentrate our efforts towards generating more revenue from this segment. We will undertake judicious decisions to invest only in niche products, which will enhance profitability for all of us. And profitability must walk hand in hand with sustainability. We will leave no stone unturned in reducing our carbon footprint, conserving resources and working towards the betterment of our people and the communities.

We are agile.
We are confident.
We are evolving.
We are securing today.
We are shaping tomorrow.



ABOUT THE COMPANY

Building on Our Legacy



DMCC is a fully integrated speciality chemical company that specialises in sulphur, boron and ethanol chemistry

The Dharamsi Morarji Chemical Company Limited (DMCC) began its humble journey in 1919 with just one product and one manufacturing unit. It was the first manufacturer of sulphuric acid and phosphate fertilisers in India.

HIGHLIGHTS

(₹ IN CRORE)

99.45

INVESTED IN CAPEX DURING THE YEAR

1.94

INVESTED IN R&D DURING THE YEAR



The Company evolved over the years to establish its own brand, 'Ship', which soon became the trusted source for quality Single Superphosphate (SSP). Today, DMCC is a fully integrated speciality chemical company that specialises in sulphur, boron and ethanol chemistry, exporting its products to markets worldwide. The Company takes pride in its heritage, and borrows from its experience, to 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, fertilisers, pigments and cosmetics.

The Company is resolute about its commitment towards the environment and its communities, as it consistently deploys effective solutions to produce sustainably. Moreover, its sharp focus on creating world-class products that exceed customer expectations enable it to fully optimise its well-equipped manufacturing facilities. DMCC's focused R&D efforts helped it commercialise processes for downstream sulphur-based chemicals, thereby enabling it to offer reliable and cost-effective products and processes to its customers.

Company Highlights



02

MANUFACTURING FACILITIES



38

PRODUCTS MANUFACTURED



425

TEAM MEMBERS



AS WE PROGRESS, WE SEEK TO EXPAND OUR GEOGRAPHIC PRESENCE, ENHANCE OUR MARGINS, INTRODUCE NEW PRODUCTS AND ADD INCREMENTAL CAPACITIES TO DRIVE PROFITABILITY.

Read more on page 13



Serving clients in the pharmaceutical, detergent, dye, fertiliser, and pigment industries, among others

DMCC's key differentiating factors

VALUE CREATION THROUGH INNOVATION AND EXPERIENCE IN SULPHUR AND BORON CHEMISTRY

CUSTOMER-CENTRIC APPROACH

STRONG WORK ETHICS DRIVEN BY SOUND SYSTEMS AND BEST PRACTICES, HIGHEST QUALITY STANDARDS AND EMPHASIS ON DELIVERY

STATE-OF-THE-ART MANUFACTURING FACILITIES EQUIPPED WITH MODERN TECHNOLOGY AND SUPPORTED BY HIGHLY CAPABLE WORKFORCE

ROBUST BUSINESS MODEL CENTRED ON BEING A STRATEGIC PARTNER TO CUSTOMERS RATHER THAN A SUPPLIER

QUALIFIED AND EXPERIENCED R&D TEAM ENABLING PROCESS INNOVATION AND COST-EFFECTIVENESS

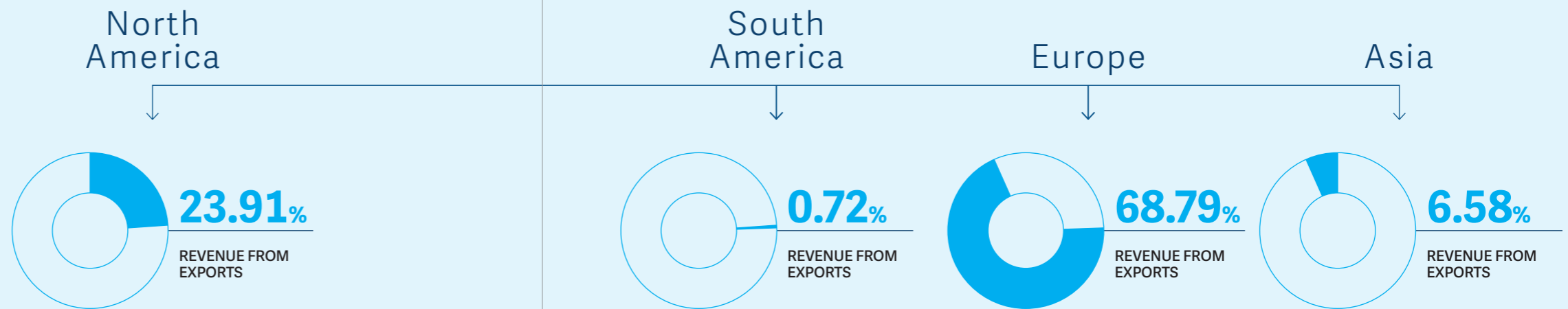
GLOBAL PRESENCE

Taking Our Differentiation Worldwide

DMCC has gradually and steadily established its presence over the years and is now proudly associated with companies across 27 countries spanning all six continents. DMCC is looking to expand further, and it believes that its diverse product portfolio will allow it to effectively serve the needs of its clients while also taking the company to the farthest stretches of the world.



27.0%
TOTAL REVENUE DERIVED FROM EXPORTS



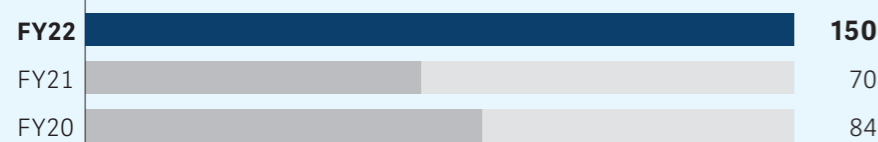
Steady Progress Across Verticals

BULK CHEMICALS

REVENUE

(₹ IN CRORE)

150



CORE PRODUCTS

- Sulphuric acid
- Sulphuric anhydride
- Oleum
- Chloro sulphonic acid



CHARACTERISTICS

- Commodity in nature
- Operates on low margins and high volumes
- High price sensitivity
- Products are sold within a limited radius from the manufacturing site
- Approximately 50% of the production is sold at markets, the rest is consumed captively
- Performance is dependent on uninterrupted supply of raw materials, high plant utilization levels and strong logistics management

Highlights of FY22

DMCC is focused on leveraging its robust foundation in the sulphuric acid business to grow and serve its vast clientele as industries increasingly seek to partner with trusted manufacturers for their essential raw material requirements. The bulk chemicals vertical experienced robust growth due to increased realisations. Since higher realisation resulted from higher input costs, the company passed on the price increases to its customers and maintained its profitability during the year.

Outlook

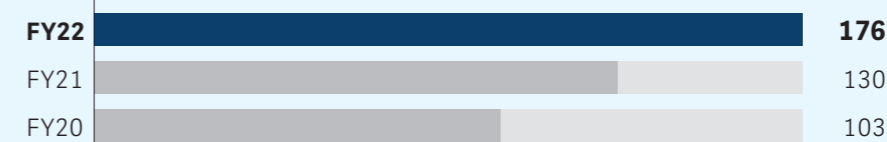
DMCC is geared toward adding further momentum to its performance through its incremental capacities, which have already been commercialised. As a result, this vertical is expected to deliver strong volumetric growth in FY23.

SPECIALITY CHEMICALS

REVENUE

(₹ IN CRORE)

176



CORE PRODUCTS

- Benzene sulphonyl chloride
- Benzene sulphonic acid
- Phenol sulphonic acid
- Sodium benzene sulphonate
- Sodium phenol sulphonate
- Diethyl sulphate
- Sodium vinyl sulphonate
- Diphenyl sulphone



CHARACTERISTICS

- Knowledge-based chemistry
- Requires strong process competencies
- Requires sound technical abilities in handling hazardous reactions
- Cost plus model with quarterly / half-yearly price adjustments
- Approximately 65-70% of the products are exported
- Growth is dependent on creating and maintaining long-term strategic partnerships with customers

Highlights of FY22

DMCC is geared towards scaling its speciality chemicals segment while leveraging cost efficiencies from the backward integration of raw materials. While the Company continued to increase its market share and volumes in FY22, the profitability was negatively impacted by the unprecedented increase in input costs. In addition, while the Company consistently passed on the raw material price rise to its customers with a quarterly lag, every quarter, the prices escalated higher than in the preceding one, resulting in depressed margins and concealing the business's inherent strengths.

Outlook

The speciality chemicals business is projected to remain strong on account of robust demand from domestic and export customers. Furthermore, with expected commercialisation of incremental capacities during FY23, the Company expects to report volumetric growth in this vertical.

KEY PERFORMANCE INDICATORS

Another Year of Perseverance

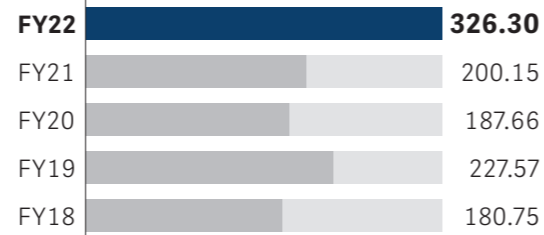
DMCC's strength lies in its ability to perform steadily and consistently while creating value for its stakeholders. The Company has always endeavoured to garner trust and loyalty through its focused efforts on building strong customer relations, and delivering high-quality and cost-effective solutions. This has augured well for the Company and reflects in its robust and resilient performance, year on year.



REVENUE FROM OPERATIONS

(₹ IN CRORE)

326.30



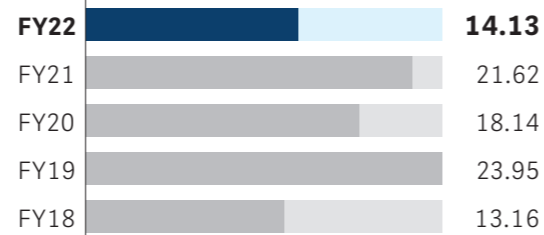
63%
Y-O-Y Growth

16%
4 year CAGR

EBITDA MARGIN

(IN %)

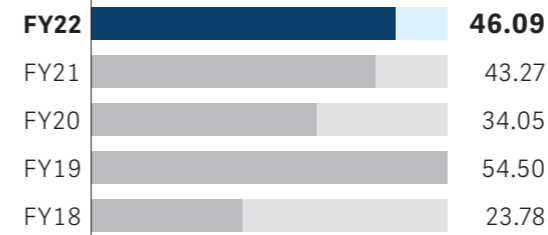
14.13



EBITDA

(₹ IN CRORE)

46.09



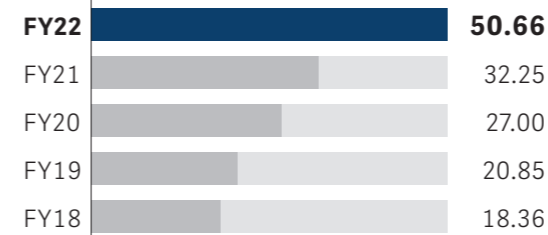
07%
Y-O-Y Growth

18%
4 year CAGR

CASH FLOW FROM OPERATING ACTIVITIES

(₹ IN CRORE)

50.66



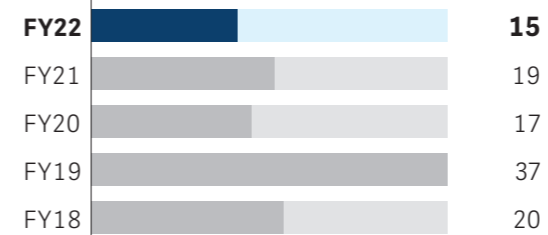
57%
Y-O-Y Growth

29%
4 year CAGR

ROCE

(IN %)

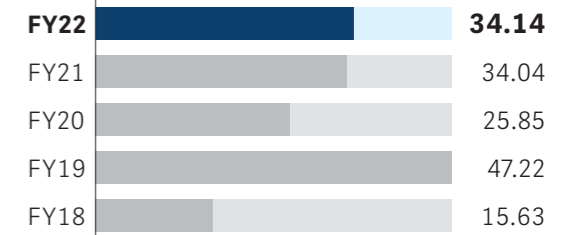
15



PROFIT BEFORE TAX

(₹ IN CRORE)

34.14



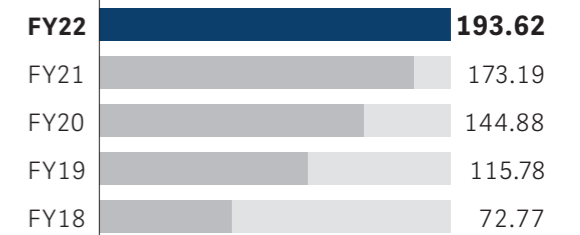
0.29%
Y-O-Y Growth

22%
4 year CAGR

SHAREHOLDERS' FUND

(₹ IN CRORE)

193.62



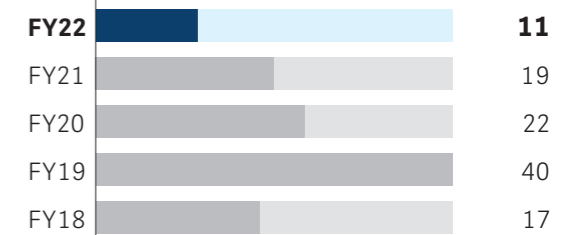
12%
Y-O-Y Growth

28%
4 year CAGR

ROE

(IN %)

11



Committed to Sustainability



Dear Shareholders,

The last year was exceedingly challenging for everyone, including our employees, business partners, customers, and local communities. However, it was the sheer tenacity and positive spirit of all our stakeholders that enabled us to deliver a robust performance in an otherwise challenging environment characterised by emerging COVID-19 variants, geopolitical concerns, supply chain disruptions, and unprecedented inflation. In these trying times, we remained committed to our purpose of creating shared value for all our stakeholders.

Players with good governance and sustainable business practices being preferred by customers as they enhance the stability of the supply chain.

“We remained steadfast on our expansion plans to enhance our capacities and increase the share of speciality chemicals in the long term.”

STRATEGY IN ACTION

With continued investments in R&D, focus on sustainable production and improvement of internal competencies, we seamlessly executed our strategies to ensure long-term growth of the Company. Furthermore, we remained steadfast on our expansion plans to enhance our capacities and increase the share of speciality chemicals in the long term.

Over the years we have moved from being a bulk chemical producer to a backward integrated niche speciality chemical manufacturer. With our core competence in sulphur chemistry and cost-competitive operations, we have been able to maintain global leadership position across products. This has resulted in deepening our presence in both domestic and international markets.

COMMITTED TO BEING RESPONSIBLE

We are amongst the handful of companies in the country authorized to use the Responsible Care® logo. We are also audited under the “Together for Sustainability” system. During the year, we further strengthened our ESG commitment, which we believe is a critical enabler of our long-term sustainability. As a responsible business entity, we reaffirmed our commitment to health, infrastructure development, wildlife conservation, and community wellbeing. In addition, we are undertaking suitable initiatives to ensure the steady minimisation of our carbon footprint. The industry we operate in continues to evolve, and players with good governance and sustainable business practices being preferred by customers as they enhance the stability of the supply chain. At Dharamsi, we are perfectly aligned to this reality and are taking strong strides to take charge of the opportunity.

LOOKING AHEAD

As COVID-19 reaches the endemic stage, and related restrictions cease to exist, we are looking at an optimistic picture of recovery and growth. Given the commercialisation of the new bulk chemicals capacity, the Company’s performance in the next fiscal year is expected to be driven by higher capacity utilisation.

Today, Dharamsi is consolidating its position as a globally trusted, integrated player in the sulphur chemistry value chain. This is enabled by a strong culture we have been able to foster within the organisation. Our journey till date has been through the support of our key stakeholders including our customers, vendors, bankers, employees, investors, government and our Board members. As we pursue newer heights and larger prospects, we request your vote of confidence in us.

Best Regards,

Laxmikumar N. Goculdas
CHAIRMAN

Mitika L Goculdas
VICE-CHAIRPERSON

Progressing with Optimism

Dear Shareholders,

It is a pleasure to present to you the 101st Annual Report of the Company. I start with the hope that this finds you and your loved ones in good health. FY22 witnessed another year of resilient performance of your Company in the light of several challenges posed by multiple waves of COVID-19 and its impact on supply chains, raw material costs and inflationary pressures emerging out of the prevailing geopolitical scenario.



Our learnings from the first wave of being agile and flexible coupled with prudent risk management helped us tackle the challenges with gumption. As we look forward to the future with optimism, I am grateful to all our stakeholders who supported us throughout and continue to place their trust in us.

A CLOSER LOOK AT PERFORMANCE

FY22 was a year of sound financial performance with growth in sales and EBITDA and a record high cash flow generation from operations. Our revenue from operations grew by 63.02% to ₹ 326.30 crores against ₹ 200.15 crores in the previous year. An increase in realisations primarily drove this growth, but we also witnessed growth in volumes. However, due to the significant rise in raw material prices, the sharp increase in turnover did not translate to a corresponding growth in EBITDA and profitability. For instance, the price of sulphur, our key raw material, rose more than 300% in the previous year while the price of benzene increased twofold. However, we could successfully pass on the price increase to our customers, enabling us to attain the same EBITDA and profitability on an absolute basis, adjusting for one-offs. In FY22, we recorded EBITDA of ₹ 46.09 crores as against ₹ 43.27 crores in FY21. Profit before taxes came in at ₹ 34.14 crores as against ₹ 34.04 crores in FY21.

The speciality chemicals vertical witnessed a good year on the back of growing demand and increased volumes, contributing 54% to the Company's top line. During the year we successfully completed the planned debottlenecking at our Roha site and added two multi-purpose plants at the Dahej Site. Furthermore, with expected commercialisation of incremental capacities for intermediates for agrochemicals and pharmaceuticals and a dedicated plant for manufacturing products under contract, we expect FY23 to be year driven by strong volumetric growth. Subject to realisation and product mix, we anticipate a 2-2.5x

asset turn on our investment in the speciality chemicals vertical and plan to reach optimum capacity utilisation by end of FY24.

The bulk chemicals business recorded strong growth contributing 46% to the Company's topline. The growth in this vertical was primarily driven by the surge in realisations. In addition, we initiated commercial production at our new 350 TPD bulk chemicals plant at Dahej site. This was a part of our strategic plan to secure our backward integration for the speciality chemicals and thus maintain our cost leadership across products. We anticipate a 1.5x asset turn on our investment in the bulk chemicals vertical and plan to reach optimum capacity utilisation by Q2FY23. For the foreseeable future, we do not intend to make any additional investments in the bulk chemicals vertical.

With significant capacity addition, the bulk chemicals will continue to anchor the performance in the short term, however, the incremental capacities in the speciality chemicals will pave the way for sustained and profitable growth in the long run.

Our boron business has weighed on our profitability in the past couple of years. The import of raw materials, especially technical-grade boric acid, posed a formidable obstacle due to government restrictions which were further exacerbated by supply chain disruptions. However, we are

optimistic that the business will accelerate in FY23 as the availability of raw materials improves after a two-year wait.

TOWARDS A SUSTAINABLE FUTURE

At Dharamsi, we remain committed to becoming one of the most sustainable organisations in the chemical industry. We are working diligently towards the goals set for reducing carbon emissions, replacing traditional fuel sources with non-conventional sources, and managing water and waste responsibly, to become carbon negative by end of FY23. Our Roha site is equipped with zero liquid discharge, and the Dahej site will follow suit.

To maintain the highest product quality and compliance levels, our staff must keep abreast of all emerging developments in today's dynamic and competitive environment. Integrating employee health, well-being, and personal growth with organisational needs is thus becoming increasingly important. At Dharamsi, we have established a workplace that empowers our employees by providing them with an environment that fosters continuous learning and development and the best possibilities for professional advancement.

2-2.5x Asset Turns

SUBJECT TO REALISATION AND PRODUCT MIX, WE ANTICIPATE A 2-2.5X ASSET TURN ON OUR INVESTMENT IN THE SPECIALITY CHEMICALS VERTICAL

A FUTURE FULL OF POSSIBILITIES

I believe that in the past few years, we have built a strong foundation for our business, on which we can now capture several opportunities. As we progress, we seek to expand our geographic presence, enhance our margins, introduce new products and add incremental capacities to drive profitability. From hereon, our growth will be sustainable as it is predicated on the Company's strengths - strong customer relationships, the ability to innovate and develop new products, globally benchmarked and backward integrated manufacturing capabilities and an efficient supply chain.

To conclude, I would like to thank our people for demonstrating unwavering commitment to ensuring that our operations remain undisrupted through every volatility. I am also grateful to the Board and all our stakeholders for reposing their continued trust in us and motivating us to keep excelling. As we take the next leap in our growth journey, I solicit your cooperation.

We will continue to be resilient and deliver sustainable value to all our stakeholders.

Best Regards

Bimal L. Goculdas
MANAGING DIRECTOR &
CHIEF EXECUTIVE OFFICER

"The incremental capacities in the speciality chemicals will pave the way for sustained and profitable growth in the long run."



A Robust Platform for Long-term Value Creation

WHAT WE USE TO CREATE VALUE

A ROBUST BALANCE SHEET

- Net worth – ₹ 193.62 crores
- Capital expenditure – ₹ 99.45 crores
- Long term debt – ₹ 55.5 crores

FOCUS ON MANUFACTURING AND R&D

- Multipurpose manufacturing facilities – 2
- In-house R&D team - 25 members
- R&D expenditure – ₹ 1.94 crores

SKILLED WORKFORCE

- Employees – 425+
- Learning and development training for employees and contractors

CONTRIBUTION TO THE SOCIETY

- CSR spend – ₹ 0.73 Crores
- Full-fledged waste treatment facilities

ACTIVITIES AND GROWTH ENABLERS

BUSINESSES

BULK CHEMICALS

SPECIALITY CHEMICALS

STRATEGIC PRIORITIES

<i>Leadership in business operations</i>	<i>Focus on R&D</i>	<i>Leveraging manufacturing efficiencies</i>
<i>Commitment to sustainability</i>	<i>Adding mileage to customers needs</i>	

↑ [Read more on page 16](#)

GROWTH ENABLERS

<i>Investments in R&D</i>	<i>Investments in manufacturing capabilities</i>
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↑ [Read more on page 18](#)

WHERE WE CREATE VALUE

Agro-chemicals

Ceramic

Construction chemicals

Cosmetics

Ink

Paper

Pharmaceutical intermediates

Pigments

Detergents

Dyes

Electroplating

Emulsions

Fertilisers

Fire retardants

Polymers

Steel

Textile processing

Thermal paper coating

Tiles

Water treatment

HOW DOES IT BENEFIT OUR STAKEHOLDERS

STEADY FINANCES TO EXPAND OPERATIONS

- Revenue – ₹ 326.30 crores
- EBITDA – ₹ 46.09 crore
- PBT – ₹ 34.14 crores

A ROBUST PRODUCT PIPELINE

- Meeting changing customer demands
- Process optimisation
- New product development
- Low-volume, high-value products

UPSILLED EMPLOYEES TO GROW THE BUSINESS

- Well-defined career progression path for employees

SUSTAINABLE BUSINESS

- Empowerment of lives
- Social license to operate
- Reduced carbon footprint
- Waste treated before being discharged

STRATEGIC PRIORITIES

Stepping Stones to Success

Through our strategic priorities we have set forth a road map of becoming the preferred partner of choice for chemical solutions worldwide. Our goal driven approach enables us to stay ahead of our peers, while focusing on providing differentiated solutions to support customers' growth.



LEADERSHIP IN BUSINESS OPERATIONS

We manufacture niche products that remain largely untapped by other players. Our backward integrated facilities help us achieve cost efficiencies and make us a preferred partner of choice.

GOALS

Achieving cost leadership in bulk chemicals

Action Plan

Enhancing operating efficiencies, optimising production processes and re-evaluating value chain to improve organisational competencies and achieve cost leadership.

GOALS

Increase share of speciality chemicals segment in overall business

Action Plan

Our robust R&D division has helped commercialise products that are niche, with little to no competition. We aim to create long-term value for our stakeholders and enhance our profitability by focussing on these speciality chemicals. Moreover, our high-quality products, time bound deliveries and compliance to regulations establishes us as a trusted partner.

FOCUS ON R&D

DMCC'S highly qualified and experienced team of R&D professionals facilitate the growth of the Company through consistent efforts in product and process innovation.

GOALS

Consistent and increased focus on R&D

Action Plan

Our superior chemistry skills facilitate us to transform generic materials into value-added niche speciality chemicals. Over the years, we have made consistent investments in R&D to enhance our process chemistry skills, improve product quality and process yields of our existing products. We will continue to make such investments going forward as well.

GOALS

Explore further on specific chemistry

Action Plan

Our expertise in sulphur chemistry has laid open a sea of opportunities for us to tap into, while enabling us to reduce our dependency on limited products. Going forward, we will continue to hone our skills and know-how in the area of sulphur chemistry, while also exploring avenues to expand into other chemistries.

ADDING MILEAGE TO OUR CUSTOMERS NEEDS

Being a customer-centric organisation, we work round the clock to ensure that the best solutions are provided to them. We take pride in our ability to attract and retain customers.

GOALS

Diversify products and customer base

Action Plan

Our manifold product suite allows us to meet the diverse demands of our clients from across geographies, and the chemicals we manufacture find applications in a wide range of industries. To de-risk the business, we have ensured that no single industry contributes more than 10% to our revenues.

GOALS

Becoming an approved supplier for leading multinational companies

Action Plan

Our product portfolio caters to varied needs of multinational companies in specific end-use applications. We have gained the trust of these multinationals with high-quality and cost-efficient products, best manufacturing practices, superior compliance standards, and time bound deliveries. We will continue to tread this path and add other esteemed customers to our list.

LEVERAGING MANUFACTURING EFFICIENCIES

Our manufacturing facilities located in Roha and Dahej are equipped with state-of-the-art infrastructure that help us produce efficiently and effectively.

GOALS

Improve supply chain for downstream products

Action Plan

By creating a more robust supply chain, we hope to enhance our operational efficiencies, while maintaining high quality standards. Our new sulphuric acid plant will help us achieve an uninterrupted supply of raw materials for our downstream products. Further, our backward integration for speciality chemicals makes us a low-cost manufacturer of these products, thus ensuring higher margins.

COMMITTED TO SUSTAINABLE DEVELOPMENT

DMCC prioritises its responsibility towards the environment, thus driving innovation in this regard to create value-added products for its customers.

GOALS

Increased contribution towards sustainability

Action Plan

We acknowledge the need to consistently innovate to achieve sustainability. We will continue to integrate environmental and social dimensions of sustainability into our core business strategy in the years to come.



Investments in R&D



Fuelled by our belief in science and technology, we manufacture a wide range of solutions that enable our customers to bring life-changing products to the market. We leverage our extensive skills, experience, capabilities, and unrivalled capability to handle a wide range of technologies to develop innovative products that meet the highest international quality standards.

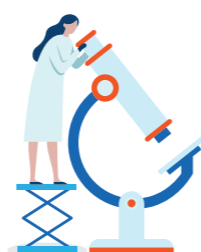
STRENGTHS IN R&D

MOTIVATED R&D TEAM WITH EXCELLENT CHEMISTRY SKILLS

DMCC's R&D team boasts of highly experienced and qualified scientists and engineers. Based out of our Roha facility, they are adept at using various important analytical and experimental tools, and their expertise ensures smooth management of our pilot plants. Our team of scientists are responsible for initial commercial production, post which they hand-over the process to the manufacturing team. Upon receiving specific customer requests, they may also engage in commercial process development and process troubleshooting. Our in-house engineering services team supports the R&D team, and ensures timely production of new products on a commercial centre. Both the teams work in tandem to further DMCC's mission of becoming a sustainable chemicals company.

ROBUST R&D INFRASTRUCTURE

While our people drive our R&D efforts, the tool they use to deliver success is our R&D centre. Located at the Roha unit in Maharashtra, the centre is equipped with a pilot plant facility. Moreover, all of DMCC's products are based on internally developed processes. DMCC's R&D centre is recognised by the Council of Scientific and Industrial Research (CSIR), Government of India. While having adequate R&D infrastructure is a mandate for this recognition, what makes it prestigious for the Company is the fact that it is granted to select companies that demonstrate deep technical know-how and superior process development abilities.

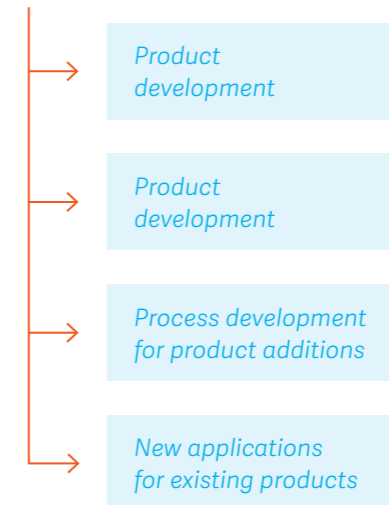


The R&D centre is equipped with world-class technology, supported by excellent in-house analytical capabilities and skillsets

KEY AREAS OF RESEARCH



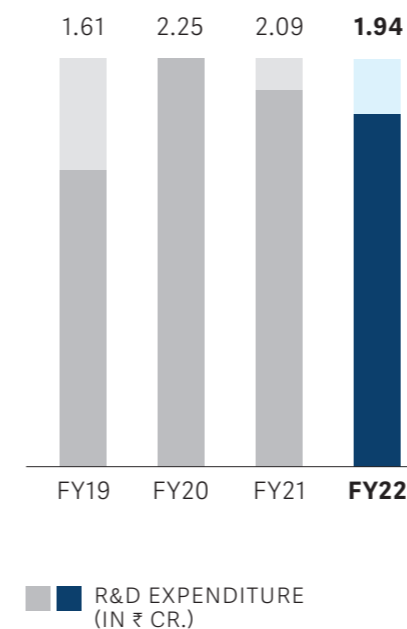
R&D FACILITIES



PRODUCTS IN PIPELINE



R&D EXPENDITURE



Our in-house engineering services team supports the R&D team, and ensures timely production of new products on a commercial scale.

Research Highlights

25

QUALIFIED AND SKILLED TEAM MEMBER IN R&D TEAM

1.94

INVESTED IN R&D IN FY22

Investments in Manufacturing Capabilities

The success of our business is directly linked to our production and manufacturing capabilities. Our facilities at Roha and Dahej are equipped with world-class chemical processing technology, which helps reduce our costs and product development cycle time.



At DMCC, we manufacture customized products that meet and exceed our customers requirements. We also undertake toll manufacturing, wherein the customer supplies us with raw materials and process details, while we manufacture the same at our facilities. Our dedicated manufacturing plants are utilised for regular products, that are based on continuous processes, while our multipurpose plants utilise batch process techniques.

THE CHEMICAL REACTIONS WE UNDERTAKE AT OUR FACILITIES ARE



THE DMCC ADVANTAGE

- Kilo-to-tonne lots are available at short notice for seed marketing and application development
- Along with a wide temperature range, vacuum and different materials of construction are also available
- Capable of handling several different unit operations

DMCC's Roha facility is dedicated to sulphur chemistry, and is equipped with an in-house R&D centre

DMCC's Dahej facility handles boron and sulphur chemistry, and has been acquired through amalgamation of Borax Morarji

1978
COMMENCED OPERATIONS

2013
COMMENCED OPERATIONS

88,355 sq. m.
OF TOTAL AREA

1,03,327 sq. m.
OF TOTAL AREA

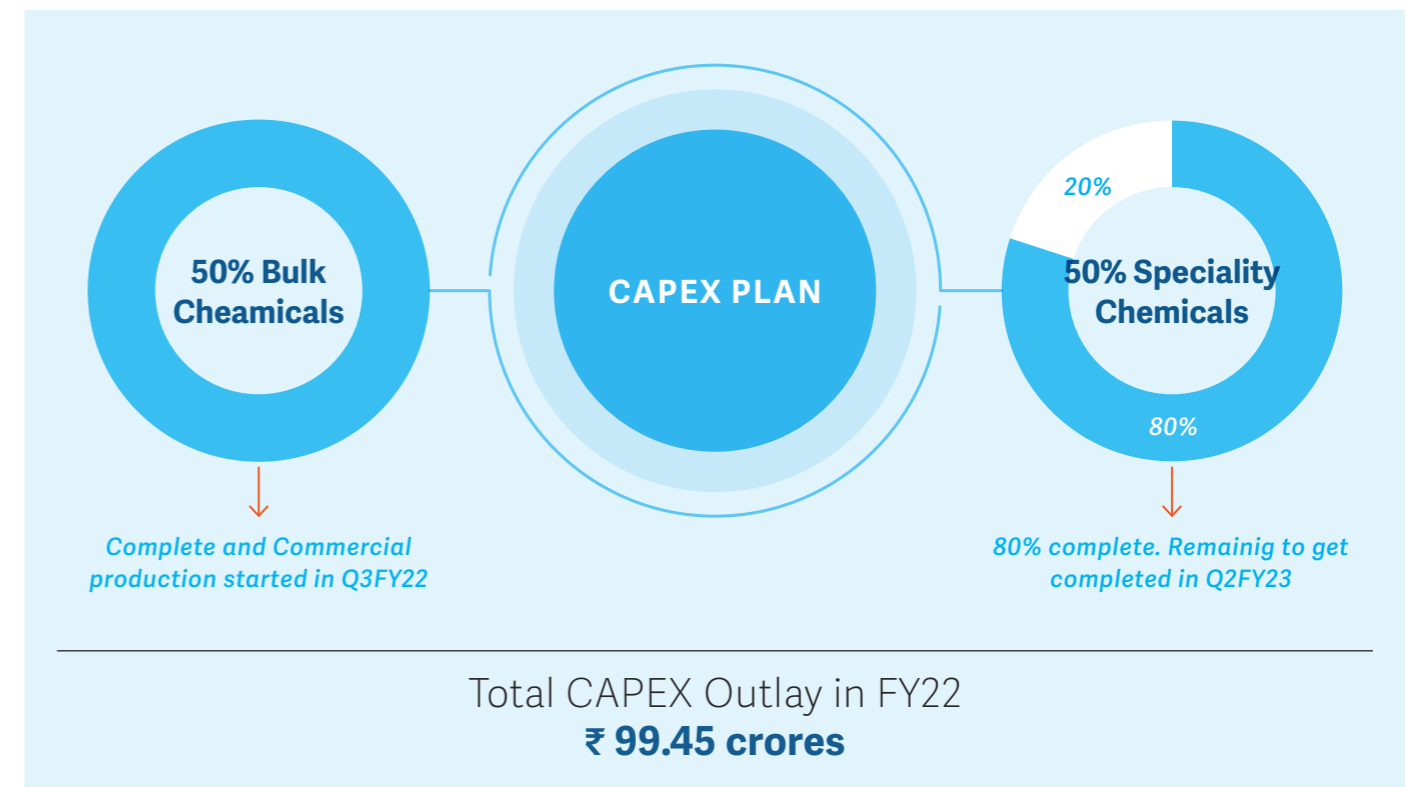
266
TEAM STRENGTH

125
TEAM STRENGTH

10
DEDICATED PLANTS

08
DEDICATED PLANTS


CAPEX TRACKER



Diversified Experience to Deliver Strong Governance

CHAIRMAN
MEMBER

- 1 1 Audit Committee
- 2 2 Nomination and Remuneration Committee
- 3 3 Shareholder/Investor Grievance Committee
- 4 4 Corporate Social Responsibility Committee
- 5 5 Risk Management Committee
- 6 6 Independent Directors Committee




↑

1 3

Mr. Laxmikumar N. Goculdas
CHAIRMAN

Mr. Laxmikumar Narottam Goculdas, Chairman of the Company has about 50+ years' experience in the Industry with wide knowledge of Trade, Commerce, Strategy, Corporate Restructuring, Corporate Affairs, Public Relation, Business Administration and International Trade.




↑

2 4 5

Ms. Mitika L. Goculdas
VICE CHAIRPERSON

Ms. Mitika Laxmikumar Goculdas, is an MBA (Finance) from Pennsylvania State University, USA. She has total work experience of 24+ years including her stint as Vice President with Merrill Lynch, both in the USA and Dubai. She has experience in Finance, Industry, and International Trade.



↑

5

Mr. Bimal Goculdas
MD & CEO

Mr. Bimal 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 30 years and has handled production, technology, supply chain management, marketing both domestic & export and finance.




↑

2 4 5 6

Mr. Mukul M. Taly
NON-EXECUTIVE
INDEPENDENT DIRECTOR

Mr. Mukul Manoharlal Taly is B.Sc., L.L.M practicing over 38 years as Senior in S. Mohamedbhai & Co., Advocate & Solicitors, High Court, Mumbai. He has been a Gold Medallist (1st in the University of Mumbai in LLB) in the year 1983. He has wide experience in litigation, Legal, Compliance and Governance, Taxation, Insurance, Foreign Trade, Risk Management, Strategy, Finance, International Business, Corporate Restructuring, Due Diligence.



↑

5

Mr. Dilip T. Gokhale
EXECUTIVE DIRECTOR

Mr. Dilip T. Gokhale is a B. Com, LLB, CAIIB, FCS and has work experience of more than 33 years in handling various diversified activities like. Secretarial, legal, Corporate Governance, Finance, HR & Administration, Insurance and Internal Audit etc. He is ably supported by Mr. Anilkumar Pillai, Manager Internal Audit & Corporate Affairs.




↑

1 2 3 4 5 6

Mr. Madhu T. Ankleshwaria
NON-EXECUTIVE
INDEPENDENT DIRECTOR

Mr. Madhu Thakorlal Ankleshwaria is a B.Com.(Hons), F.C.A. and Practicing Chartered Accountant for over three decades. He has in-depth knowledge in Finance and Accounting, Auditing, Internal Audit, Taxation, Foreign Trade, Financial Management, Risk Management, Corporate Restructuring, Due Diligence, Corporate Governance and Strategy.



↑

6

Dr. Mrs. Janaki A. Patwardhan
NON-EXECUTIVE
INDEPENDENT DIRECTOR

Dr. Janaki Ashwin Patwardhan is a doctorate chemical engineer from Mumbai University Institute of Chemical Technology. She has more than 22 years' of experience in Chemical and Pharmaceutical Industry. She has expertise in Process Engineering, Health and Safety, Plant design and Techno Commercial Feasibility studies, ISO Audit, R&D and has served as an Independent Consultant to various renowned Companies.



↑

1 2 3 4 5 6

Mr. Sanjeev V. Joshi
NON-EXECUTIVE
INDEPENDENT DIRECTOR

Mr. Sanjeev Vishwanath Joshi is a B.Com, F.C.A and a practicing Chartered Accountant for over 35 years. Shri Sanjeev Vishwanath Joshi has in-depth knowledge in Finance and Accounting, Auditing, Internal Audit, Insurance, Foreign Trade, Taxation, Financial Management, Risk Management, Corporate Restructuring, Due Diligence, Corporate Governance and Strategy.

LEADERSHIP TEAM

Driving Responsible Growth



↑
Mr. Bimal Goculdas
MD & CEO

Mr. Bimal 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 30 years and has handled production, technology, supply chain management, marketing both domestic & export and finance.



↑
Mr. S. N. Jadhav
SR. VICE PRESIDENT – OPERATIONS

Mr. S. N. Jadhav heads the Roha unit. He is a postgraduate in Inorganic Chemistry with nearly three decades of experience in chemical industries with main focus on sulphur-based chemicals.



↑
Mr. Ashok R. Nagarch
TECHNICAL ADVISOR TO THE MD & CEO

Mr. Ashok R. Nagarch, Technical Advisor to MD and CEO, heads the Research & Development team. He has nearly four decades of experience in Sulphur chemistry.



↑
Mr. Shirish Pandit
SENIOR VICE PRESIDENT – PROJECT

Mr. Shirish Pandit, heads the Project Division at DMCC. He is B.sc in Chemistry from Mumbai University & AMIChE (Associate Member of Indian Institute of Chemical Engineers.) He has 43 years of experience in plant operation management, factory operation management and project management.



↑
Mr. Dilip T. Gokhale
EXECUTIVE DIRECTOR

Mr. Dilip T. Gokhale is a B. Com, LLB, CAIIB, FCS and has work experience of more than 33 years in handling various diversified activities like. Secretarial, legal, Corporate Governance, Finance, HR & Administration, Insurance and Internal Audit etc. He is ably supported by Mr. Anilkumar Pillai, Manager Internal Audit & Corporate Affairs.



↑
Mr. Kuldeep Kumar Tiwari
VICE PRESIDENT – OPERATIONS

Mr. Kuldeep Kumar Tiwari heads the Dahej Unit. He is a Science Graduate with nearly 24 years experience of project and operations in sulphuric Acid Industry in India and Abroad.



↑
Mr. Chirag Jaswant Shah
CHIEF FINANCIAL OFFICER

Mr. Chirag Jaswant Shah holds a B.Com. and Chartered Accountant degree and has experience of more than two decades. He is responsible for the finance and accounting functions of DMCC. He has in-depth knowledge of Finance, Accounts, Strategic Planning, Merger & Acquisition, Treasury, Insurance and Risk, and ERP Implementations. He is ably supported by Mr. S.R. Mohite – General Manager Accounts and Taxation.



↑
Mr. Omkar Mhamunkar
COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Omkar Mhamunkar is a Commerce and Law graduate and Associate Member of the Institute of Company Secretaries of India, New Delhi. He has got over 12 years of experience and is responsible for secretarial, legal compliance and governance functions at DMCC. He is ably supported by Ms. Reshma Shetty - Executive Secretarial.



GOVERNANCE FRAMEWORK

Committed to High Standards of Governance

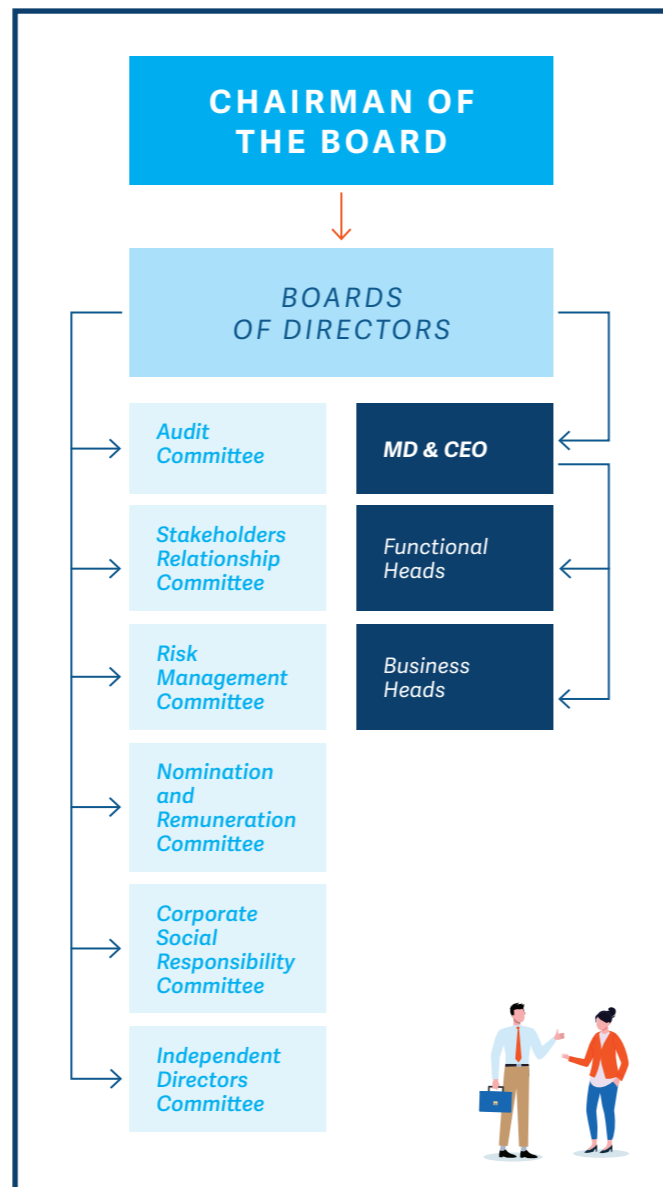
DMCC prides itself on its code of ethics and conduct, which adopts high standards of integrity, transparency and accountability. The Company is committed to operate and grow its business in a socially responsible and sustainable manner, ensuring long-term value creation for all its stakeholders. Guided by its strong principles, DMCC is driven to achieve excellence in every aspect of its business.



BOARD COMPOSITION AND SIZE

The Board conforms with the requirements of the Corporate Governance code under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ('SEBI Listing Regulations') as amended from time to time. The Board is headed by Shri Laxmikumar Narottam Goculdas, Non- Executive Chairman.

As on March 31, 2022, the Board of Directors of the Company comprises of eight Directors, out of which two are Non- Executive Non Independent Directors, four are Independent Directors and two are Executive Directors.



An active board focussed on strategic decision making

94%

OVERALL ATTENDANCE RATE AT BOARD AND BOARD COMMITTEE MEETINGS

15

YEARS OF AVERAGE DIRECTOR TENURE

15

BOARD AND BOARD COMMITTEE MEETINGS DURING FY22

10

YEARS TERM LIMIT FOR INDEPENDENT DIRECTORS

62

YEARS MEDIAN DIRECTOR AGE

SKILLS AND EXPERTISE OF THE BOARD

The Board of DMCC is diversified and comprises an optimal combination of independent professionals. The Board comprises of qualified members who bring in the required skills, expertise and attributes. These skills / competencies are broad-based, encompassing several areas of expertise / experience such as knowledge of chemicals business, sound understanding of financials, taxation, governance, and familiarity with applicable laws and regulations Business Administration, Strategy, Corporate Restructuring, Corporate Affairs, Public Relation and International Trade, Finance, Risk Management, Corporate Restructuring, Strategy, Due Diligence etc. and each Director possess varied combinations of skills/ experience that helps them to make effective contribution to the Board and its Committees.

SEASONED BOARD OF DIRECTORS



KEY ROLES AND RESPONSIBILITIES OF THE BOARD

- Providing oversight on corporate governance practices
- Reviewing business strategies and operational plans developed by the management
- Monitoring and reviewing management performance
- Reviewing risk management approach
- Discharging statutory and contractual responsibilities
- Supervising the process of compliance with applicable laws and regulations
- Monitoring and reviewing the Board evaluation framework

Contributing Towards a Cleaner Future

At DMCC, sustainability is at the heart of its business operations. While the Company is committed to achieving excellence by creating value for its stakeholders, it is also equally committed towards the environment.

It continuously seeks to adopt measures that help reduce impact on the planet. Through the years, the Company has consistently innovated to develop sustainable solutions that not only exceed expectations of the customers with respect to its quality, but also with respect to its environment friendly processes and approach. DMCC strives to integrate sustainability in everything it does. In FY22, the Company invested ₹ 4.68 crores in sustainability initiatives.



HIGHLIGHTS

₹ 4.68 crore

INVESTED IN SUSTAINABILITY INITIATIVES

DMCC's business sustainability



PLANTS

- Green cover at all factory sites
- Zero liquid discharge at Rooha plant. The same is to be installed at the Dahej plant upon completion of expansion plans
- More than 80% of energy requirement being met through non-conventional resources



INDUSTRY ASSOCIATIONS

- Participated in Together for Sustainability (TFS); a joint initiative of international chemical companies, for sustainable supply chains
- Proud holder of the Responsible Care logo, a voluntary commitment by the global chemical industry, to drive improvement in environment health and safety standards
- Part of the Nicer Globe initiative, that helps create risk-free and safe transportation, with quick addressal of any emergencies



PRODUCT PORTFOLIO

- Periodic and systematic evaluation of the entire product portfolio through the lens of sustainability
- Application of sustainability criteria in the development of products and processes



Minimising Carbon Footprint

DMCC is aware of its responsibilities towards protecting and restoring the environment. To that extent, the Company is committed to green stewardship and integrates environmental sustainability across all its functions.



PLANTS AT DAHEJ AND ROHA EQUIPPED WITH WASTE HEAT RECOVERY THAT HELP SAVE ~ 25,000 AND 7,200 UNITS OF POWER PER DAY RESPECTIVELY THEREBY ON COMBINED LEVEL HELP SAVING APPROX. 32,200 UNITS OF POWER PER DAY



INSTALLED SOLAR PANELS WITH 335 KW CAPACITY THAT HELPS SAVE ~1,500 UNITS OF POWER PER DAY DURING THE SUMMER SEASON



OPERATING WINDMILLS WITH A 0.95MW CAPACITY IN A BID TO INCREASE DEPENDENCE ON RENEWABLE RESOURCES AND REDUCE DEPENDENCE ON FOSSIL FUELS



INSTALLED A RESERVOIR POND AT ROHA WITH A CAPACITY OF 1,000 M³ THAT HELPS SAVE ~ 60 M³ OF WATER PER DAY, SUPPLIED BY MIDC DURING MONSOON SEASON



WITH EFFLUENT WATER RECYCLING, THE COMPANY SAVES ABOUT 120 M³ WATER PER DAY.



SUPPLYING ~ 100 MT OF STEAM TO NEIGHBOURING UNITS, THEREBY HELPING THEM REDUCE THEIR CARBON EMISSIONS



THE COMPANY HAS INSTALLED STP PLANT WITH A CAPACITY OF 20 M³ WATER PER DAY. THE TREATED WATER IN STP IS USED FOR GARDENING AND FOR OTHER WORK.

Building Resilient Communities



At DMCC, we are committed to our core values of inclusive growth, and we measure our success through our community efforts and not just our profitability. We are firm believers of supporting, nurturing and protecting our communities, and we've been doing this since before the concept of CSR even emerged.



DMCC through its actions has always demonstrated transparency, ethical behaviour and accountability, and we hope to carry the same values as we move along in our journey.

Over the years, the Company has contributed to many causes such as education, environment and biodiversity protection, social and socio-economic upliftment. Through our programs and support we engage with our communities and help them improve their quality of life. The Company has spent ₹ 73.09 lakhs towards CSR in FY22.



PROTECTION OF FLORA AND FAUNA

Our passion for the environment has led us to contribute to numerous projects to protect flora and fauna. Through the Corbett Foundation and Sahyadri Nisarg Mitra, we contributed ₹ 30 lakhs toward supporting implementation of measures for mitigating human-wildlife conflict and for the conservation of biodiversity by encouraging the protection of Pangolins and Turtles, which are on the verge of extinction.



SOCIAL EMPOWERMENT

We are also cognizant of our responsibility to those specially-abled members of the community, including those with visual or auditory impairments. To that extent we have contributed ₹ 12.50 lakhs to various NGOs such as Sense International India, RSS Jankalyan Samiti and Asmita Vikas Kendra, to name a few.



EDUCATION

To ensure that those economically disenfranchised children who do not have access to the infrastructure for availing e-learning are not left behind while the world migrates to an online education framework, we contributed ₹ 8.71 lakhs towards efforts to introduce and upgrade e-learning facilities to schools, hostel, lodging and boarding for such children.



LOOK EAST PROJECT

In a bid to integrate and increase participation of North Eastern students into mainstream education, we contributed ₹ 2.60 lakhs towards boarding and lodging.



WOMEN EMPOWERMENT

To show our commitment towards women empowerment, we contributed ₹ 2 lakhs to Drishti Stree Adhyayan Prabodhan Kendra, an NGO with in-depth experience in conducting research and awareness programs aimed at betterment of the conditions of women. They provide necessary information, training and other support to women from marginalised communities.



COVID RELIEF

Extended financial assistance to the tune of ₹ 12.28 lakhs for providing Covid care, support to vaccination facilities and other medical services in nearby villages and assisted them through food aid and disaster relief.



SENIOR CARE FACILITIES

Supported Kamaldham Vriddhashram and Akklkot Swami Seva Mandal with ₹ 5 lakhs for financing the expansion of their senior care facilities, supporting its upkeep and maintenance and by supplying them with a new DG set for ensuring uninterrupted power supply for the same.

Management discussion and analysis



GLOBAL ECONOMY

The global economy began its journey in 2022 with a weaker position than estimated, which is partly attributable to the threats from new COVID-19 variants from across the world, along with politically charged wars in Europe. Throughout 2021 and in January 2022, the world witnessed higher energy prices, disruption in supply chains and notably high global inflation. While the impact of COVID-19 was smoothed out globally on account of rapid vaccination drives and effective policy mechanisms, the war in Ukraine since February 2022 triggered a costly humanitarian crisis that is continuing to contribute to a significant slowdown in global growth and adding to inflation. Resultantly, fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries the hardest. Currently, the global growth is projected to slow down from an estimated 6.1 percent in 2021 to 3.6 % in 2022 and 2023, which is 0.8 and 0.2 % points lower for 2022 and 2023 than projected in January.^[1]

REAL GDP GROWTH PROJECTIONS

(₹ IN CRORE)

	2021	2022	2023
WORLD	5.6%	4.5%	3.2%
Australia	3.8%	4.1%	3.0%
Canada	4.8%	3.9%	2.8%
Euro Area	5.2%	4.3%	2.5%
France	6.8%	4.2%	2.1%
Germany	2.9%	4.1%	2.4%
Italy	6.3%	4.6%	2.6%
Spain	4.5%	5.5%	3.8%
Japan	1.8%	3.4%	1.1%
Korea	4.0%	3.0%	2.7%
United Kingdom	6.9%	4.7%	2.1%
United States	5.6%	3.7%	2.4%
G20	5.9%	4.7%	3.3%
Argentina	8.0%	2.5%	2.3%
Brazil	5.0%	1.4%	2.1%
China	8.1%	5.1%	5.1%
India	9.4%	8.1%	5.5%
Indonesia	3.3%	5.2%	5.1%
Mexico	5.9%	3.3%	2.5%
Russia	4.3%	2.7%	1.3%
Saudi Arabia	2.9%	5.0%	3.0%
South Africa	5.2%	1.9%	1.6%
Turkey	9.0%	3.3%	3.9%

Note: Source: OECD Economic Outlook, Volume 2021 Issue 2

The outlook for the coming quarters and the year is heavily dependent on various downside risks that include simultaneous COVID-19 disruptions and war-driven economic disruptions, which may further block the supply chain bottlenecks, while de-anchoring inflation expectations and contributing to financial and climate-related stress, thereby weakening long-term growth drivers.

[1]<https://www.oecd.org/economy/india-economic-snapshot/>

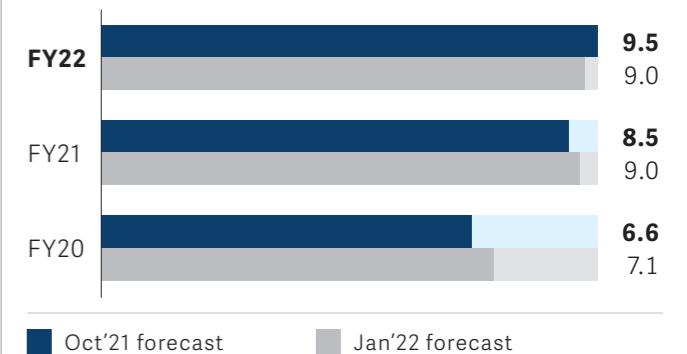
INDIAN ECONOMY

After a disrupting second wave of COVID-19, India's recovery is gaining momentum and GDP was expected to grow at 9.4 percent in FY 2021-22, before reverting to 8.1% in FY2022-23, and 5% in FY 2023-24. [2] However, the IMF was quick to slash India's GDP prediction in January 2022 to 9 percent citing reasons of COVID-19 related virus spreads. Inflation continues to be on an upswing and is expected to ease as supply chain disruptions smoothen out. Financial markets remained strong through the year and capital inflows continued to support the build-up in reserves. The country's last mile vaccination drives along with its stringent policies helped overcome the third wave of COVID-19 effectively, in the first half of 2022.

India will continue to be affected by the downsides in the global economy, as the financial environment remains volatile due to the humanitarian crisis in Europe. The macroeconomic policies remain unstable, as multiple sanctions by European and Western countries are being levied on Russia. Even though India's economic and trade relations with Russia remains largely unimpacted, it may pose to be a threat for India in the future, if the war escalates and India is seen as having sided with Russia.

IMF INDIA GDP ESTIMATES: OCTOBER 2021 VS JANUARY 2022

(IN %)



Source : IMF World Economic Outlook

FY23 FORECAST BY VARIOUS AGENCIES

(IN %)



Source : Various Agencies

The Indian government is committed to invest in social and physical infrastructure, including reducing irrelevant regulations in product and labour markets, accelerating sale of public companies in non-strategic sectors and restructuring state-owned banks among other measures, which is expected to augment investment and employment within the country. Further, the RBI is resolved on acting forcefully if increment in global commodity prices negatively influence wages and core prices in India.

GLOBAL CHEMICALS INDUSTRY

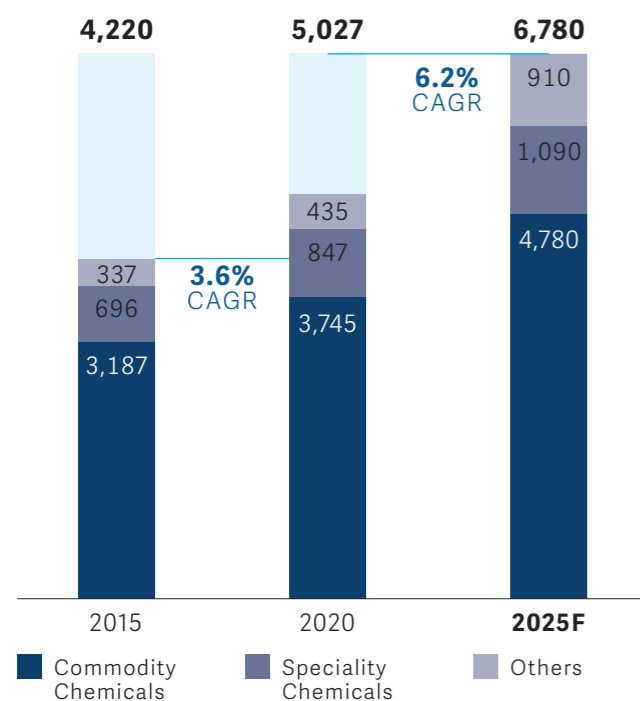
The global chemicals market valued at around USD 5,027 Bn, had China leading in market share (39%) followed by European Union (15%) and United States (13%), while India accounted for ~4% of the market. This industry is expected to grow at 6.2% CAGR; reaching USD 6,780 Bn by 2025.

In the next five years, the commodity chemicals market which is presently valued at ~USD 3,745 Bn, is expected to grow at 5%-6% globally. APAC is anticipated to grow at the fastest rate of 7-8% during the period of 2020-25.

Moreover, rapid industrialisation in APAC countries like India and China, is expected to drive demand in this region for speciality chemicals. This surging demand is attributable to a huge customer base across the globe for exports, along with increasing industrial production and boom in the construction sector as witnessed in APAC. The speciality chemicals market stood at ~USD 847 Bn in 2020, and is expected to witness a growth between 5-6% over the next five years.^[2]

GLOBAL CHEMICALS MARKET, CY 2015, 2020 AND 2025F

(USD 4,220 BN, USD 5,027 BN AND USD 6,780 BN)



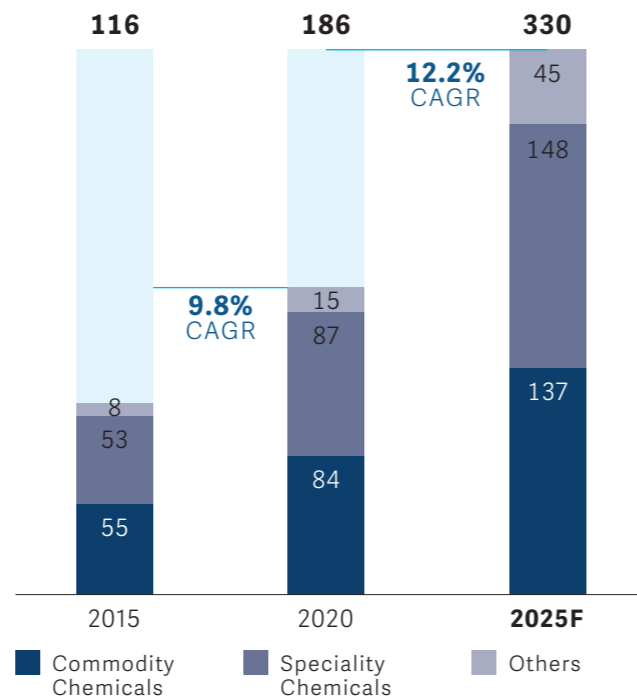
INDIAN CHEMICALS INDUSTRY

The Indian chemicals market, valued at USD 186 Bn (~4% share in the global chemical industry), includes commodity chemicals accounting for almost 46% of the total share^[4]. This market is expected to reach ~USD 330 Bn in the next 5 years, with an anticipated growth of ~12.2% CAGR. The speciality chemical industry forms ~47% of the domestic chemical market, which is expected to grow at a CAGR of around 11% over the same period.

The Indian Speciality chemicals industry, driven by both domestic consumption and exports, is expected to become the next great export pillar for the country. Indian companies are increasingly gaining favour with global MNCs, who are now looking at alternate sources for supply to reduce dependence on China. Presently, China accounts for ~15-17% of the world's exportable speciality chemicals, whereas India accounts for merely 1-2%, indicating widespread opportunity for Indian companies.

INDIAN CHEMICALS MARKET, 2015, 2020 AND 2025F

(IN USD BN)

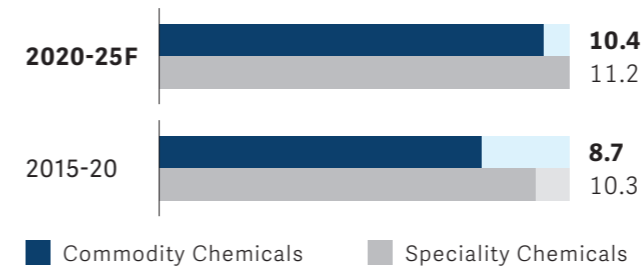


Note: Indian chemical industry generally showcases Agrochemicals & Fertilizers and Pharmaceuticals API outside of Speciality chemicals. In the above graph the speciality chemicals section, however, is inclusive of the 2 categories to maintain consistency with the Global section. Agrochemical & Fertilizer and Pharmaceuticals API contribute to more than 55% of the speciality chemical space in India.



GROWTH RATES

(IN %)



INDIA'S ADVANTAGE

The Indian government is geared to augment the Indian Chemicals exports, leveraging its technical know-how and capabilities, to cater to the demand gap left behind by the Chinese companies. The government has enabled production ramp ups and exports, and is focused on dishing out incentives for Indian chemicals manufacturers to produce optimally.

PRODUCTION CAPACITY

('000 MT)

Production of Chemicals



Production of Petrochemicals

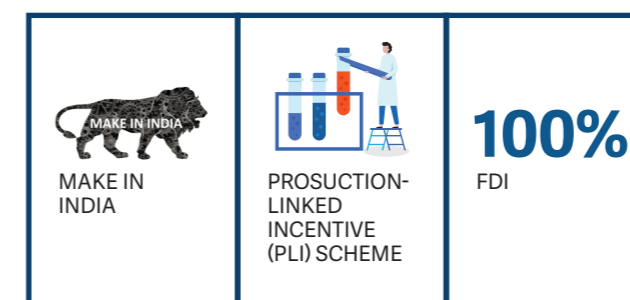


KEY TRENDS

(IN USD MN)



GOVERNMENT INITIATIVES



^[2-3] Indian Chemicals and Speciality Chemicals Market Report, Frost & Sullivan, December 2021

^[4] <https://www.ibef.org/industry/chemical-industry-india/infographic>

COMPANY OVERVIEW

The Dharamsi Morarji Chemical Company Limited ('DMCC') began its humble journey in 1919 with just one product and one manufacturing unit. Today, the Company is a global leader in manufacturing of speciality and bulk chemicals, and it supplies cost-effective and value-added products to over 25 countries across all 6 continents.

DMCC's product portfolio comprises speciality and bulk chemicals across sulphur, boron and ethanol chemistry. These chemicals find application in a wide range of industries, such as, pharmaceuticals, detergents, dyes, fertilizers, pigments, cosmetics among others. DMCC is proud of its 100+ years of expertise in sulphur chemistry, and has further diversified its operations across other downstream products as well.

The Company is geared on maintaining the highest standards of safety in its functioning, adopting practices and processes for safer and responsible manufacturing operations, all in a bid to reduce the impact of its operations on the environment. DMCC is acutely aware of the importance of focus on ESG and has been working diligently towards the goals set for reducing carbon emissions, replacing traditional fuel sources with non-conventional sources, and managing water and waste responsibly. As a result, the Roha facility has already achieved the status of being carbon negative.

BUSINESS REVIEW

Bulk Chemicals

As industries across the world increasingly look towards partnering with trusted manufacturers for their essential input requirements, DMCC is geared to leverage its strong foundation of its sulphuric acid business to grow and cater to its clientele. Due to the commodity nature of this segment, it operates on low margins and high volumes coupled with high price sensitivity. Performance in this segment is incumbent on uninterrupted raw material availability, high plant utilization levels, and strong logistics management. Domestically, these products are sold within a limited radius from the manufacturing site, and while approximately 50% of the production is sold at markets, the rest is consumed captively.

In FY22, Bulk chemicals contributed 46% to the top line as compared to 35% in the previous year with the commissioning of bulk chemical facility at Dahej. The bulk chemicals vertical experienced robust growth due to increased realisations. Since higher realisation resulted from higher input costs, the company passed on the price increases to its customers and maintained its profitability during the year. DMCC is geared toward adding further momentum to its performance through its incremental capacities, which have already been commercialised. As a result, this vertical is expected to deliver strong volumetric growth in FY23.

Speciality Chemicals

DMCC is focussed on scaling its speciality chemicals segment while retaining scale in its bulk chemicals business. The chemicals in this segment are knowledge-based, that mandates strong process competencies and technical abilities in handling hazardous reactions. Moreover, the growth in this segment is connected with maintaining long-term strategic relationships with customers. The best feature of the speciality chemicals business is its disconnect from raw material price volatility in the long term, which has very limited impact on the overall segment. Further, approximately 65-70% of the finished goods are exported.

In FY22, speciality chemicals contributed 54% to the top line as compared to 65% in the previous year. While the Company continued to increase its market share and volumes in FY22, the profitability was negatively impacted by the unprecedented increase in input costs. In addition, while the Company consistently passed on the raw material price rise to its customers with a quarterly lag, however, every quarter, the prices escalated higher than in the preceding one, resulting in depressed margins and concealing the business's inherent strengths. The speciality chemicals business is projected to remain strong on account of robust demand from domestic and export customers. Furthermore, with expected commercialisation of incremental capacities during FY23, the Company expects to report volumetric growth in this vertical.

FINANCIAL PERFORMANCE

The Company recorded a strong growth in revenues, as it increased from ₹ 200.15 crores in FY21 to ₹ 326.30 crores in FY22, charting a growth of 63.03% YoY. This growth was on the back of higher realisations and moderate volumetric growth coupled with commissioning of the Bulk Chemicals facility at Dahej Unit. The Company's EBITDA too grew from ₹ 43.27 crores in FY21 to INR 46.10 crores in FY22, recording a 6.53% YoY growth. The EBITDA margins came in at 14.13% in FY22, as against 21.62% in FY21, which is attributable to higher raw material prices and increased distribution overheads observed through the year. The Company's PAT stood at INR 21.34 crores in FY22 as compared to INR 32.58 crores in FY21 due to deferred tax on account of expansion at both manufacturing units.

DMCC continued with its investment in diversifying its product portfolio and strengthening its infrastructure and processes, to drive greater efficiencies during the year. On the CAPEX front, the Company is well underway with its capacity enhancement in value-added segments, with a portion of it being realised this financial year while the other part is expected to come into operations in FY23. The strategy of de-risking the business model and making incremental CAPEX in more value-added assets will help deliver long-term value to all our stakeholders.

KEY FINANCIAL RATIOS

FINANCIAL RATIOS	FY21	FY22	CHANGE
OPERATING PROFIT MARGIN	21.62%	14.13%	(34.66%) ¹
NET PROFIT MARGIN	16.28%	6.54%	(59.82%) ¹
DEBTOR TURNOVER	7.02	7.95	13.29%
INVENTORY TURNOVER	2.88	4.96	72.62% ²
INTEREST COVERAGE	15.18	9.77	(35.67%) ³
DEBT EQUITY*	0.16	0.40	154.51% ⁴
CURRENT RATIO	1.68	0.96	(42.80%) ⁵
RETURN ON NET WORTH	18.81%	11.02%	(41.41%) ⁶

¹ The operating profit and net profit margin has reduced primarily due to increase in material cost and distribution overheads, which was majorly passed on to the Customers.

² The increase in inventory is due to increase in its cost/value and due to commissioning of the operations at Dahej Unit of bulk chemicals.

³ The Interest Coverage Ratio is adverse due to lower profit margin and payment of borrowing cost for the capex expansion at Roha and Dahej Units.

⁴ Your Company's Debt Equity Ratio (Net) has increased mainly on account of increase in debt for Capex expansion at Roha and Dahej Units.

⁵ Your Company's current ratio has reduced primarily due to increase in short term borrowing as the raw material cost has increased.

⁶ Return on Net Worth is adverse due to lower profit margins.



RISKS AND CONCERNS

In today's VUCA world, individuals, communities, nations and even businesses are not without any risks and concerns. It is imperative for businesses to become more aware of its operating context, while also creating systems and processes that safeguard it from any exigencies. A robust risk management framework enables DMCC to predict, strategise and protect its business, while ensuring that the Company is moving towards a direction of growth and incremental success. The framework lays down clear

roles and responsibilities for various business segments, which offer a strong foundation for appropriate risk management procedures, their effective implementation as well as the independent monitoring and reporting, handled by its Internal Audit and top management team. The Company is focused on building distributed leadership and succession planning processes, and is also preparing for enhancement of its organisational capabilities.

RISKS	MITIGATION STRATEGIES
RAW MATERIAL RISK Unavailability of raw material and fluctuation in its prices	<ul style="list-style-type: none"> DMCC's long-standing relationship with its suppliers ensures steady availability of raw materials at competitive prices Moreover, the Company's raw material-plus pricing mechanism for its speciality chemicals, further reduces the risks of margin and top-line pressures in scenarios of rising input costs
CUSTOMER RETENTION RISK The inability to retain its customers	<ul style="list-style-type: none"> DMCC is the preferred supplier to many of its customers, due to its excellent quality products and competitive prices Further, no industry contributes more than 10% to the Company's revenues, thus providing diversification benefits and reducing client concentration risk
RISK OF AVAILABILITY OF SKILLED PERSONNEL The inability to attract and retain skilled personnel	<ul style="list-style-type: none"> The Company is focused on creating a learning and growth driven environment for its employees. It undertakes various training and workshops to facilitate personal and professional growth of its people DMCC also organises on-site and off-site team building activities to inculcate a sense of togetherness amongst all its employees
RISK OF FOREIGN EXCHANGE Risk of currency fluctuations	DMCC closely monitors the Rupee movement and enters into hedging and swap contracts to mitigate risks arising out of any unfavourable movement in the currency
REGULATORY RISK Inability to obtain regulatory approvals from the concerned authorities	The Company is aware and compliant of all the regulatory requirements laid down by the concerned authorities. It also makes conscious efforts to remain compliant with the regulatory requirements of global markets to ensure smooth functioning of its operations
ECONOMIC UNCERTAINTY RISK A decline in economic activity	In its effort to reduce dependency on any particular geography and market, DMCC has grown its global presence, and is geared to grow further in the years to come



INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACIES

DMCC has a robust internal control system that includes well-defined policies, guidelines and procedures. The Company's independent and adequate system of internal controls ensures that all its assets are safeguarded against loss from unauthorised use or disposal, and its transactions are authorised, recorded and reported appropriately. The internal control systems are supplemented by a programme of internal audit. The Audit Committee of the Board is entrusted with periodically reviewing the reports of the Internal Auditors, while also monitoring adherence of such policies and procedures by the operating Management. The Audit Committee is responsible for providing overall guidance and suggesting modifications and improvements on a continual basis.

HUMAN RESOURCE

The Company has continued with its drive to institutionalize and upgrade its HR processes. A crucial HR practice is to always maintain transparency and be open with employees regarding the success and failures of business. This open environment of communication makes employees feel trusted, respected and valued and drive the culture of the organization. The diversified skill sets of our employees add significant worth to the Company. Every organization which values and appreciates its Human Resource succeeds in its goals and receives positive results. At DMCC, we always believe in the concept of

human empowerment. We firmly believe that human resource is the most important asset of the organization, as it influences growth, progress, profits and shareholders' values. Special emphasis is being led continually on recruitment of multi-disciplinary and experienced staff to carry forward the growth objectives of the Company. During the year, we continued our efforts aimed at improving the HR policies and processes to enhance our performance. HR could get closer to the employees in extending the required support during the covid pandemic. We have initiated a few online systems and digitization. Initiated a few employee engagement programs to keep our employees motivated and feel back to office and togetherness. Regular training programmes are being held for the benefit of the staff and the workmen. The Company believes in a collaborative approach and works closely with the unions, and Industrial relations have been cordial all along. The number of permanent employees on the rolls of the Company as on March 31, 2022 is 385.

CAUTIONARY STATEMENT

Statements in this "Management Discussion and Analysis Report" describing the Company's objectives, projections, estimates, expectations or predictions may be considered as "forward looking statements" within the meaning of applicable security laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

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 (w.e.f. 21.05.2021)

Shri Bimal Lalitsingh Goculdas
Managing Director and Chief Executive Officer

Shri Dilip Trimbak Gokhale
Executive Director (w.e.f. 22.05.2021)

KEY MANAGERIAL PERSONNEL

Shri Bimal Lalitsingh Goculdas
Managing Director and Chief Executive Officer

Shri Dilip Trimbak Gokhale*
Executive Director (w.e.f. 22.05.2021)

Shri Chirag Jaswant Shah
Chief Finance Officer

Shri Omkar Chandrakant Mhamunkar
Company Secretary & Compliance Officer (w.e.f. 22.05.2021)

*Elevated to Executive Director from Sr. Executive Vice President & Company Secretary

REGISTERED OFFICE

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

SUBSIDIARY

Borax Morarji (Europe) GmbH

COMPANY IDENTIFICATION NO.

L24110MH1919PLC000564

STOCK EXCHANGE LISTING DETAILS

BSE : DHARAMSI/506405
NSE : DHARAMSI

STATUTORY AUDITORS

Messrs Rahul Gautam Divan & Associates
Chartered Accountants, Mumbai.

INTERNAL AUDITORS

Messrs Mahajan & Aibara
Chartered Accountants, Mumbai

SECRETARIAL AUDITORS

Messrs SKJ & Associates
Company Secretaries, Mumbai

COST AUDITOR

Shri. S. S. Dongare
Cost Accountants, Mumbai

BANKERS

Janakalyan Sahakari Bank Ltd.
RBL Bank Ltd.
Saraswat Co-operative 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. : 022-491.86000 Fax : 022- 49186060
Email : rnt.helpdesk@linkintime.co.in

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Notice

NOTICE is hereby given that the **101st Annual General Meeting** of the Members of **THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED** (CIN: L24110MH1919PLC000564) will be held on **Wednesday, the 14th day of September, 2022** at **11.30 a.m. (IST) through Video Conferencing or Other Audio Visual Means** 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, 2022, 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, 2022, 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, 2022, 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, 2022, 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, 2022, 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, 2022, 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, 2022."

4. To appoint a Director in place of Shri Laxmikumar Narottam Goculdas (holding 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 (holding DIN: 00459347), who retires by rotation and being eligible has offered himself for re-appointment be and is hereby re-appointed a Director of the Company."

5. To re-appoint statutory auditors and fix their remuneration and in this regard, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies

Act, 2013, along with the relevant Rules made thereunder, and based on the recommendations of the audit committee and board of directors of the company, M/s. Rahul Gautam Divan & Associates, Chartered Accountants (ICAI Firm Registration No. 120294W), be and are hereby re-appointed as statutory auditors of the company, to hold office for a second term of five consecutive years from the conclusion of the 101st AGM until the conclusion of the 106th AGM, at a remuneration of ₹ 20.00 Lakhs (Rupees Twenty Lakhs Only) per annum plus payment of taxes as applicable and reimbursement of out of pocket expenses;

RESOLVED FURTHER THAT the board of directors of the company be and are hereby authorized to decide and/or alter the terms and conditions of the appointment including the remuneration as they may deem fit."

SPECIAL BUSINESS

6. Ratification of Cost Auditor's Remuneration

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 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment (s) thereof, for the time being in force), as amended from time to time, the remuneration payable (as recommended by the Audit Committee and approved by the Board of Directors of the Company), to CMA Shri S. S. Dongare holding ICWA Registration Number 12521, appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023, amounting to ₹ 66,000/- (Rupees Sixty-Six Thousand Only) as also the payment of taxes as applicable and reimbursement of actual out-of-pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. Re-appointment of Shri Sanjeev Vishwanath Joshi as an Independent Director

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

"RESOLVED THAT, pursuant to the provisions of sections 149, 152, and other applicable provisions of the Companies Act,

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2013 ("the Act") and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint Shri Sanjeev V. Joshi (DIN : 00392020), as an Independent Director of the Company for second term of five consecutive years commencing with effect from February 14, 2023 to February 13, 2028 and that he shall not be liable to retire by rotation;

RESOLVED FURTHER THAT any Director and/or Company Secretary and/or Chief Finance Officer of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things which may be necessary for re-appointment of Shri Sanjeev V. Joshi as an Independent Director of the Company."

8. Re-appointment of Shri Mukul Manoharlal Taly as an Independent Director

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

"RESOLVED THAT, pursuant to the provisions of sections 149, 152, and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint Shri Mukul M. Taly (DIN : 01334360), as an Independent Director of the Company for second term of five consecutive years commencing with effect from February 14, 2023 to February 13, 2028 and that he shall not be liable to retire by rotation;

RESOLVED FURTHER THAT any Director and/or Company Secretary and/or Chief Finance Officer of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things which may be necessary for re-appointment of Shri Mukul M. Taly as an Independent Director of the Company."

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

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

Registered Office:

Prospect Chambers,
317/321, Dr. Dadabhoy Naoroji Road, Fort, Mumbai 400 001.
CIN: L24110MH1919PLC000564
Website: www.dmcc.com
e-mail investor@dmcc.com
Date: August 12, 2022

"RESOLVED THAT pursuant to the provisions of section 13 of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014 made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other applicable law(s), rule(s), regulation(s), guideline(s) or provision(s) and subject to the approval of Stock Exchange(s) under Securities Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015, as amended, Registrar of Companies (ROC) or any other approval(s) as may be necessary for the Company in this regard, the consent of the members of the Company be and is hereby accorded to change the name of the Company from **"The Dharamsi Morarji Chemical Company Limited"** to **"DMCC Speciality Chemicals Limited"**;

RESOLVED FURTHER THAT the new name of the Company be given effect from the date of issue of the fresh Certificate of Incorporation from the Registrar of Companies (ROC), consequent upon change of name of the Company and accordingly, the name **"The Dharamsi Morarji Chemical Company Limited"** wherever appearing in the Memorandum of Association and Articles of Association and other relevant documents etc. be deleted and be substituted by the new name **"DMCC Speciality Chemicals Limited"** in its place;

RESOLVED FURTHER THAT any Director and/or Company Secretary and/or Chief Finance Officer of the Company be and are hereby severally authorized, on behalf of the Company to perform all such acts, deeds, matters and things as may be required or deemed necessary or incidental thereto including signing and filing of all the e-forms and other documents with the statutory authorities, and to execute all such forms, papers, deeds, documents, instruments, writings as may be necessary including appointing attorneys or authorized representatives under appropriate Letter(s) of Authority to appear before the office of the ROC, other regulatory authorities and to file required documents and information to the Stock Exchanges and such other authority(s) as may be required from time to time and to do all such acts, deeds and things as may be required in this connection;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this regulation to any Committee of Directors of the Company or Officer(s) of the Company in order to give effect to this resolution."

By Order of the Board of Directors,

Omkar Mhamunkar
Company Secretary

Notes:

1. In view of the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA"), vide its General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, Circular No. 02/2021 dated January 13, 2021 and General Circular No. 02/2022 dated May 05, 2022 (collectively "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 on May 13, 2022 (collectively "SEBI Circulars"), have permitted companies to conduct AGM through VC or other audio visual means, subject to compliance of various conditions mentioned therein. In compliance with the aforesaid MCA and SEBI Circulars, applicable provisions of the Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") the 101st AGM of the Company is being convened and conducted through VC. The registered office of the Company shall be deemed to be the venue for the AGM.

2. SINCE THIS AGM IS BEING HELD THROUGH VC/OAVM, PURSUANT TO MCA CIRCULARS, PHYSICAL ATTENDANCE OF THE MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE AGM. HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP ARE NOT ANNEXED TO THIS NOTICE.

3. The attendance of the Members at the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

4. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated May 05, 2020, the matters of Special Business as appearing at Item Nos. 6 to 9 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.

5. In compliance with the aforesaid MCA Circulars and SEBI Circulars, 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 Company/Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website at www.dmcc.com, website of Stock Exchanges

i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com.

6. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 6 to 9 of the Notice along with a statement of setting out material facts concerning the business under Item No. 5 of the Notice is annexed hereto. Pursuant to the Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meetings, brief profile and other details about Directors seeking appointment/re-appointment are provided in the "Annexure I" to this Notice.

7. 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.

8. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC / OAVM. Corporate members intending to authorize their representatives to participate and vote at the meeting, are requested to send a certified copy of the Board Resolution / authorization letter to the Company or upload on the VC / OAVM portal / e-voting portal.

9. ATTENTION SHAREHOLDER: SEBI, vide the Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021, has mandated furnishing of PAN, Address with pin code, email address, mobile number, bank account details, specimen signature and nomination by holders of physical securities. Folios wherein any one of the cited documents/ details are not available on or after April 01, 2023, shall be frozen by the Registrar and Transfer Agent of the Company.

10. Regulation 40 of the SEBI Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI vide

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its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/ CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed **Form ISR – 4**, the format of which is available on the Company at www.dmcc.com and on the website of the Company's Registrar and Transfer Agents, Link Intime India Private Ltd. at <https://web.linkintime.co.in/client-downloads.html>. It may be noted that any service request can be processed only after the folio is KYC Compliant. Members can contact the Company or Company's Registrars and Transfer Agents, Link Intime India Private Limited ("RTA") for assistance in this regard.

11. To support the 'Green Initiative', Members who have not yet registered their email 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 LinkIntime in case the shares are held by them in physical form.

Members holding shares in physical form who have not registered their email addresses with the Company can get their email addresses registered by clicking on the link: https://linkintime.co.in/emailreg/email_register.html on the website www.linkintime.co.in at the Investor Services tab by choosing the e-mail registration heading and update their details such as Name, Folio number, Certificate number, PAN, mobile number and email id by uploading scanned copy of share certificate (front and back) in pdf or jpeg format (upto 1MB).

Members holding shares in demat form are requested to update their email address with their respective DPs.

12. 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 in electronic form and to the Registrar in case the shares are held in physical form, in prescribed **Form No. ISR-1**, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination

are requested to register the same by submitting **Form No. SH-13**. The said form can be downloaded from the Company's website at www.dmcc.com and also available at RTA website at www.linkintime.co.in under Resource Section>KYC. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to LinkIntime in case the shares are held in physical form. 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.

14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates and self-attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes. The consolidation will be processed in demat form.

16. Members, intending to require information about the Financial Statements or any other matter to be placed at the Meeting, are requested to inform the Company at least a week in advance of their intention to do so, so that the papers relating thereto may be made available, if the Chairman permits such information to be furnished.

17. 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, will be made accessible for inspection through electronic mode.

18. 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.

19. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participant(s) of the Members. Members

holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.

20. The Company has a designated email ID for Redressal of Shareholders'/Investors' Complaints/Grievances. Hence, please write to us at investor@dmcc.com

21. Book Closure and Dividend

A. The Register of Members and the Share Transfer Books of the Company will be closed from **Thursday, September 08, 2022** to **Wednesday, September 14, 2022** (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, 2022.

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 statutory timeline of 30 days to those members whose names appear: -

a) as beneficial owners at the end of business hours on Wednesday, **September 07, 2022**, as per lists furnished by Central Depository Services (I) Limited and National Securities Depository Limited in respect of shares held in electronic form; and

b) on the Register of Members of the Company as on Wednesday **September 07, 2022**, after giving effect to valid transfers in respect of transfer requests lodged with Link Intime India Pvt. Ltd., Registrar and Share Transfer Agent (RTA) of the Company, on or before the close of business hours on Wednesday, **September 07, 2022**, in respect of shares held in physical form.

In case of remittance of dividend in electronic form, an intimation of the dividend payment would be sent to the members. In case of members who are not covered by NECS/electronic facility or failure to remit the dividend through electronic mode due to incorrect details, technical issue or otherwise, the dividend amount will be remitted by means of dividend warrants/demand drafts which will be posted to their respective registered address. Members holding shares in dematerialised form are requested to intimate particulars of bank mandates, nominations, power of attorney, e-mail address, contact numbers, change of address, etc. to their Depository Participant (DP). Members holding shares in physical form are requested to intimate these details to the RTA.

C. Members holding shares in physical/electronic form are required to submit their bank account details, if not already registered, as mandated by SEBI.

D. Further, to receive the dividend on time, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to send the following documents to our RTA – Link Intime India Private Limited at the earliest in such manner as to update the same in the folio before the record date for Dividend.

a) Form No. **ISR-1** duly filled and signed by the holders stating their name, folio number, complete address with pin code, and following details relating to the bank account in which the dividend is to be received:

- i. Name of Bank and Bank Branch;
- ii. Bank Account Number & Type allotted by your bank after implementation of Core Banking Solutions; and
- iii. 11-digit IFSC Code.
- iv. 9 digit MICR Code.

b) Original copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;

c) Self-attested copy of the PAN Card; and

d) Self-attested copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs.

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applied to the dividend paid on shares held in electronic form.

E. 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

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of the 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 www.dmcc.com

22. Unclaimed Deposits

Post-Merger of Borax Morarji Limited (BML) with your Company, the balance amount of unclaimed matured deposit of erstwhile BML, as on March 31, 2022, is ₹ 0.20 Lakhs. Deposit holders are requested to note that, deposits if not claimed for a period of 7 years from the date of maturity, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). 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. For details, please refer to the investor section on the Company's website at www.dmcc.com

23. 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, the Company has transferred 18009 Nos. of Equity Shares which remained unclaimed to "The Dharamsi Morarji Chemical Company Limited Unclaimed Suspense A/C" (DP ID IN301330 Client ID 40638408) maintained with The Stock Holding Corporation of India

26. To Register e-mail address for all future correspondence and update the Bank Account details, members are requested to please follow the below Process:

Members Holding Shares in Physical Members holding shares in physical mode, who have not registered/ updated their email addresses, PAN and Bank account details with the Company, are requested to register / update the same by clicking on https://web.linkintime.co.in/EmailReg/Email_Register.html (Recommended)

OR

Send a request to M/s. Link Intime India Private Limited at rnt.helpdesk@linkintime.co.in:

- i) To register e-mail address :** Please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN and AADHAR (self-attested scanned copy of both PAN card and Aadhar card)
- ii) To update bank account details :** Please send the following additional documents/information followed by the hard copies:
 - a) Name of the bank and branch address,
 - b) Type of bank account i.e., savings or current,
 - c) Bank account no. allotted after implementation of core banking solutions,
 - d) 9-digit MICR code no., and
 - e) 11-digit IFSC code
 - f) Original cancelled cheque bearing the name of the first shareholder, failing which a copy of the bank passbook / statement attested by bank.

Members Holding Shares in Demat Please contact your DP and follow the process advised by your DP

Limited (SHCIL). Members are requested to claim the shares lying with the said Unclaimed Suspense Account by duly **ISR- 4** form with the RTA.

24. 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, 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 **September 07, 2022**.

25. 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.

27. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to their DPs if not submitted earlier. Members holding shares in physical form are requested to submit their PAN to the RTA if not submitted earlier.

28. Members who have not encashed their dividend warrants are requested to lodge their claims with the RTA at the earliest.

29. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

30. 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.

31. NRI Members are requested to inform the RTA immediately of: -

- a) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier; and
- b) Change in their residential status and address in India on their return to India for permanent settlement.

32. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their communications to investor@dmcc.com at least seven days before the date of the Annual General Meeting. The same will be suitably replied to by the Company.

33. 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 ("LIIPL")

- 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 September 07, 2022** shall only be entitled to avail the facility of remote e-voting or e-voting at the AGM.

- 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 11, 2022 at 9.00 a.m. and ends on Tuesday, September 13, 2022 at 5.00 p.m.** During this period, Members of the Company, holding shares either in physical form or in dematerialised 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.

- 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.

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viii. The procedure for casting vote through remote e-voting module is as under:

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 09, 2020 on “e-voting facility provided by Listed Companies”, e-voting process has been enabled for all the individual demat account holders, by way of single login credential, through their respective demat account / website of Depositories / DPs in order to increase the efficiency of the voting process.

Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider.

Accordingly, Members are advised to update their mobile number and email ID in their demat accounts to access e-voting facility.

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

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. User already registered for NSDL IDeAS facility
	i. Please visit the e-Services website of NSDL at the URL: https://eservices.nsd.com .
	ii. Once the home page of e-Services is launched, click on the ‘Beneficial Owner’ icon under ‘Login’ which is available under ‘IDeAS’ section.
	iii. On the new screen, please enter your User ID and Password.
	iv. After successful authentication, you will be able to see e-voting services. Click on ‘Access to e-voting’ under e-voting services.
	v. On the e-voting page, you will see Company’s name or e-voting service provider’s name. Click on Company name or that of the e-voting service provider.
	vi. You will be re-directed to e-voting service provider’s website for casting your vote during the remote e-voting period or for joining virtual Meeting and voting during the Meeting.
	2. User not registered for NSDL IDeAS facility
	i. Option to register is available at the link https://eservices.nsd.com .
	ii. Select ‘Register Online for IDeAS’ or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp .
	iii. Visit the e-voting website of NSDL and follow the steps given in point 1 under this section.
	3. Alternatively by directly accessing the e-voting
i. Open web browser by typing the URL viz. https://www.evoting.nsd.com .	
ii. Once the home page of e-voting system is launched, click on the icon ‘Login’ which is available under ‘Shareholder/Member’ section.	
iii. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL starting with IN – DP ID and Client ID), password/OTP and a verification code as shown on the screen.	
iv. After successful authentication, you will be redirected to NSDL’s website wherein you can see e-voting page. Click on the Company’s name or e-voting service provider’s name and you will be redirected to e-voting service provider’s website for casting your vote during the remote e-voting period or for joining virtual Meeting and voting during the Meeting.	

Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing users who have opted for Easi / Easiest</p> <ol style="list-style-type: none"> i. Please visit the e-Services website of CSDL at the URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com, thereafter, please click on New System 'Myeasi'. ii. On the new screen, please enter your User ID and Password for accessing Easi / Easiest. iii. After successful login of Easi / Easiest you will also be able to see the e-voting menu. The menu will have links of e-voting service provider's i.e. Link Intime, NSDL, CDSL and KFinTech. Click on e-voting service provider's name to cast your vote. <p>2. If the user is not registered for Easi/Easiest</p> <ol style="list-style-type: none"> i. An option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. ii. Then visit the e-voting website of CSDL and follow the steps given in point 1 under this section. <p>3. Alternatively by directly accessing the e-voting page</p> <ol style="list-style-type: none"> i. You can directly access e-voting page by providing demat Account Number and PAN from the link www.cdslindia.com. ii. The system will authenticate your details by sending OTP on registered mobile and email ID as recorded in the demat Account. <p>After successful authentication, you will enter the e-voting module of CDSL. Click on the e-voting link available against Company's name or e-voting service provider's name and you will be re-directed to the e-voting page of service provider to cast your vote.</p>
Individual Shareholders (holding securities in demat mode) and login through their depository participants	<ol style="list-style-type: none"> 1. Users can also login using the login credentials of their Demat Account through their Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. When you login, you will see e-Voting option. Once you click on the same, you will be redirected to NSDL/CDSL sites after successful authentication, wherein you can see e-Voting feature. 3. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining the virtual meeting and voting during the meeting.

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Individual Shareholders holding securities in Physical mode and e-Voting Service Provider is LINKINTIME i.e. RTA.	<ol style="list-style-type: none">1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in2. Click on 'Sign Up' under 'SHARE HOLDER' tab and register with your following details: -<ol style="list-style-type: none">A. User ID: Shareholders/members holding shares in physical form shall provide Event No + Folio Number registered with the Company.B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company) shall use the sequence number provided to you, if applicable.C. 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 provided or updated the information at 'C' or 'D' with their RTA/ Company, should provide their Folio number in 'D' above.3. 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).4. Click "confirm" (Your password is now generated).5. Click on 'Login' under 'SHARE HOLDER' tab.6. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.7. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.8. E-voting page will appear on the screen.9. 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).10. 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.11. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, Members can login any number of times till you have voted on the resolution(s) for a particular "Event".
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- ix. If Individual Shareholders, holding securities in "**PHYSICAL MODE**", whose evoting service provider is **LINKINTIME** and who have "**FORGOTTEN**" their password, the follow the below steps:
- a. Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
 - b. Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
 - c. Shareholders/Members having valid email address, the Password will be sent to his/her registered e-mail address. Else, Shareholders/Members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. **(The Password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.)**

Important Note :

- Shareholders/Members holding shares in physical form, the details can be used only for voting on the Resolutions contained in this Notice.
- It is strongly recommended not to share your Password with any other person and take utmost care to keep your password confidential.

- x. If Individual Shareholders holding securities in **dematerialised mode** are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password options available at the Depository's /DP's website.

Important note:

- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- During the voting period, Members can login any number of times till they have voted on the resolution(s) for a particular "Event".

Helpdesk of Depositories "for Individual Shareholders holding securities in DEMAT"

Shareholders/Members holding securities in **demat mode** may contact the respective helpdesk given below for any technical issues related to login through Depository i.e. NSDL/CDSL:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in in or call at toll free nos.: 1800 1020 990 and 1800 22 44 30 NSDL
Individual Shareholders holding securities in demat mode with CDSL	Members facing technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022 - 2305 8738 or 022 - 2305 8542/43.

General Guidelines for shareholders:

- 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'.
- 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.
- Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- 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 / insta.vote@linkintime.co.in or call on 022 - 49186175 / 49186000.

Helpdesk for Individual Shareholders holding securities in physical mode/Institutional shareholders and e-Voting service Provider is LINKINTIME.

In case Shareholders/Members holding securities in physical mode/Institutional shareholders have any queries regarding

e-Voting, they may refer the **Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help Section** or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 - 4918 6000.

II. Instructions for Members to Vote during the AGM through InstaMeet (VC/OAVM):

Once the electronic voting is activated by the Scrutiniser during the Meeting, the Members who have not exercised their vote(s) through the remote e-voting can cast their vote(s) as under:

- On the Member's page/VC page, click on the link for e-voting "**Cast your vote**".
- Enter demat account no. / folio no. and **OTP** (One Time Password), received on the registered mobile number/ registered e-mail ID, during registration for InstaMeet and click on '**Submit**'.
- After successful login, see "Resolution Description" and against the same the options "**Favour/ Against**" for voting.
- Cast 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'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

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- vi. After selecting the appropriate option i.e. Favour/ Against as desired, 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.
- vii. Once the vote is confirmed on the resolution, any modification or change is not allowed subsequently.

Notes:

Members who will be present in the AGM through InstaMeet facility and have not cast their vote(s) 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.

Members who have voted through remote e-voting prior to the AGM will be eligible to attend/ participate in the Meeting through InstaMeet. However, they will not be eligible to vote again during the Meeting.

In case the members have any queries or issues regarding e-voting, you may write an email to <https://instameet.linkintime.co.in> or call on: 022 - 49186000 / 49186175 InstaMeet support desk, of the RTA.

34. Instructions for Members attending the AGM through InstaMeet:

Instructions for Members to attend the AGM through InstaMeet are as under:

- i. Members are entitled to attend the AGM through VC/ OAVM provided by the RTA by following the below mentioned process. Facility for joining the AGM through VC/ OAVM shall be open 30 minutes before the time scheduled for the AGM and shall expire 15 minutes after the scheduled time of the Meeting, and will be available to the Members on first come first serve basis.
- ii. Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 minutes from the scheduled time of the AGM. Members with >2% shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and Auditors, etc. may be allowed to attend the Meeting without restrictions of first come first serve basis. Members may log-in and join 30 minutes prior to the scheduled time of the Meeting and window for joining shall be kept open till the expiry of 15 minutes after the scheduled time.

iii. Members will be provided with InstaMeet facility wherein they shall register their details and attend the AGM as under:

1. Open the internet browser and launch the URL for InstaMeet <https://instameet.linkintime.co.in> and register with following details:
 - a) DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
 - Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
 - Members holding shares in NSDL demat account shall provide sixteen digit demat number - 8 Character DP ID followed by 8 Digit Client ID
 - Members holding shares in physical form shall provide Folio Number registered with the Company
 - b) PAN: Enter your 10-digit PAN. (Members who have not updated their PAN with the DP/ Company shall use the sequence number provided to them, if applicable)
 - c) Please enter your mobile number.
 - d) Please enter your email ID as recorded with your DP/RTA/Company.
2. Click on "Go to Meeting". You are now registered for InstaMeet and your attendance is marked for the meeting.

35. Instructions for Members to register themselves as speakers during AGM:

- i. 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 on or before **September 09, 2022**.
- ii. Members will receive "speaking serial number" once they mark attendance for the Meeting.
- iii. Other Members may ask questions to the panelist(s), via active chat-board during the Meeting.
- iv. Please quote your serial number and start your conversation with panelist(s) by switching on the video and audio of your device.
- v. Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

- vi. Members are requested to speak only when the moderator of the Meeting will announce the name and serial number for speaking.
- vii. 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.
- viii. Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email ID, mobile number at investor@dmcc.com The same will be replied by the Company, suitably.
- ix. 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.

36. 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.

37. 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 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.

38. Members may note that the Notice will also be available on the Company's website www.dmcc.com, RTA's website <https://instavote.linkintime.co.in> ; websites of the stock exchanges i.e. BSE Limited at www.bseindia.com and The National Stock Exchange of India Limited at www.nseindia.com

39. 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.

40. The recorded transcript of the AGM, shall also be made available on the website of the Company at www.dmcc.com under the tab of 'Investor'.

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.
- ii. Guidelines for the registered speakers for speaking at the AGM through Link Intime India Private Limited's InstaMeet <<<https://instameet.linkintime.co.in>>>
 - 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

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- 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 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 or call on 022 - 49186175 / 49186000, the InstaMeet support desk.

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	Shri Mukul Manoharlal Taly	Shri Sanjeev Vishwanath Joshi
Date of Birth	17.09.1943	26.11.1960	08.11.1959
Director Identification Number (DIN)	00459347	01334360	00392020
Category and Designation	Chairman, Promoter Non-Executive Non Independent Director	Non-Executive Independent Director	Non-Executive Independent Director
Date of first appointment on the Board	March 06, 1992	February 14, 2018	February 14, 2018
Brief Resume and nature of expertise in specific functional areas	50+ years' experience in the Industry with wide knowledge of Trade, Commerce, Strategy, Corporate Restructuring, Corporate Affairs, Public Relation, Business Administration and International Trade.	B.Sc., L.L.M practicing over 38 years as Senior in S. Mahomedbhai & Co., Advocate & Solicitors, High Court, Mumbai. He has been a Gold Medalist (1 st in the University of Mumbai in LLB) in the year 1983. He has wide experience in litigation, Legal, Compliance and Governance, Taxation, Insurance, Foreign Trade, Risk Management, Strategy, Finance, International Business, Corporate Restructuring, Due Diligence.	B.Com, F.C.A and a practicing Chartered Accountant for over 35 years. Has in-depth knowledge in Finance and Accounting, Auditing, Internal Audit, Insurance, Foreign Trade, Taxation, Financial Management, Risk Management, Corporate Restructuring, Due Diligence, Corporate Governance and Strategy.
Terms & conditions of Appointment/re-appointment	Terms and Conditions of appointment or re-appointment are as per the Remuneration and Nomination Policy of the Company as displayed on the Company's website i.e. www.dmcc.com	As per resolution mentioned in Item no. 8 of the Notice and as per the Remuneration and Nomination Policy of the Company as displayed on the Company's website i.e. www.dmcc.com	As per resolution mentioned in Item no. 7 of the Notice and as per the Remuneration and Nomination Policy of the Company as displayed on the Company's website i.e. www.dmcc.com
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. www.dmcc.com	As per the Remuneration and Nomination Policy of the Company as displayed on the Company's website i.e. www.dmcc.com	As per the Remuneration and Nomination Policy of the Company as displayed on the Company's website i.e. www.dmcc.com
Remuneration last drawn for FY 2021-22	Sitting fees: ₹ 2.25 Lakhs Commission: ₹ 10.81 Lakhs	Sitting fees: ₹ 2.00 Lakhs Commission: ₹ 3.60 Lakhs	Sitting fees: ₹ 3.25 Lakhs Commission: ₹ 3.60 Lakhs

STATUTORY REPORT

Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	(i) Ms. Mitika Goculdas (Daughter of Shri L.N. Goculdas) is the Director, Vice Chairperson of the Company and (ii) Shri Bimal Goculdas (nephew of Shri L.N.Goculdas) is the Managing Director and Chief Executive Officer of the Company	None	None
Number of Board Meetings attended during the year FY 2021-22	Five (5)	Four (4)	Five (5)
Directorships held in other Companies, excluding foreign Companies as on March 31, 2022	<ol style="list-style-type: none"> 1. Kosan Industries Pvt. Ltd. 2. L.P. Gas Equipment Pvt.Ltd. 3. L.P. Gas Transport & Bottling Co. Pvt. Ltd. 4. Bombay Foods Pvt. Ltd. 5. Phoenix Distributors Pvt. Ltd. 6. The Natural Gas Co. Pvt. Ltd. 7. Autogas Conversion (India) Pvt. Ltd. 8. B.S. and Service Pvt. Ltd. 9. Jasraj Trading Co. Pvt. Ltd. 10. Gocul Gas Private Limited. 11. Phoenix Distributors Gas Agencies Bhopal Pvt. Ltd. 12. B S and Services Gas Agencies Bhopal Pvt. Ltd. 	Nil	<ol style="list-style-type: none"> 1. B.K.Khare Consultancy Services Pvt. Ltd. 2. Kema Services International Pvt. Ltd.
Memberships / Chairmanships of Audit and Stakeholders Relationship Committees of other Public Companies as on March 31, 2022	<ol style="list-style-type: none"> i) Chairman of Stakeholders Relationship Committee ii) Member of the Audit Committee 	Nil	<ol style="list-style-type: none"> i) Chairman of Audit Committee ii) Member of Stakeholders Relationship Committee
Name of the Listed Entities from which the Director has resigned in the past three years	Nil	Nil	Nil
Number of shares held as on March 31, 2022	9018420 Equity Shares of ₹ 10/- each	Nil	4435 Equity Shares of ₹ 10/- each
Shareholding as Beneficial Owner as on March 31, 2022	Being a Significant Beneficial Owner (SBO) as per the provisions of the Companies Act, 2013 he also holds 3772298 Equity Shares of ₹ 10/- each	Nil	Nil

Annexure II

INTIMATION ON DEDUCTION OF TAX ON FINAL DIVIDEND FOR THE FY 2021-22

As you are aware that as per the Income Tax Act, 1961, as amended by the Finance Act, 2020 ("the Act"), dividends paid or distributed by a Company after April 01, 2020, shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source at the time of making the payment of the said Final Dividend if declared at the above AGM.

TDS rate may vary depending on the residential status of the shareholder and the documents submitted to and accepted by the Company under the provisions of the Act.

Further, according to the provisions of section 206AB, higher rates of tax would be deducted in case of payment to a specified person effective from July 01, 2021. A specified person for this section means a person who has not furnished their return of income for the previous year (FY 2020-21) immediately preceding the financial year in which tax is required to be deducted and for which the time limit for furnishing the return of income under section 139(1) of the Act has expired and the aggregate of tax deducted at source and collected at source is rupees fifty thousand or more in the said previous year. A specified person shall not include a non-resident who does not have a permanent establishment in India.

All Shareholders 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 LinkIntime, on or before **September 07, 2022**.

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:

- a) Valid PAN*.
- b) Residential status as per the Income Tax Act, 1961 i.e. Resident or Non-Resident for FY 2022-23.
- c) 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, Overseas Corporate Bodies, etc.
- d) Email 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.

The TDS for various categories of shareholders along with required documents are provided in Tables Below:

For Resident Shareholders:

Sr. No.	Particulars	Tax Rate	Documents Required (Please mentioned DP ID and Client ID/ Folio No.)
1	Individual Shareholder receiving aggregate of total dividend not exceeding ₹ 5000 from the Company during FY 2022-23.	NIL	Not Applicable
2	Shareholder (including individual shareholders) with valid PAN receiving aggregate dividend in excess of ₹5000 from the Company during FY 2022-23)	10%	Shareholders to update / verify their PAN and residential status as per the Act, if not already done, with the Depository Participant (if shares are held in DEMAT form) and with the Company's RTA i.e. Link Intime India Private Limited Ltd (if shares are held in Physical form).

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	Any resident individual Shareholder submitting Form 15G (applicable to individuals below 60 years) / Form 15H (applicable to an Individual who is 60 years and above)	NIL	a. Form 15G (applicable to individual below 60 years) (Annexure-A) / Form 15H (applicable to individual of 60 years or above) (Annexure-B) (as applicable) b. Self-attested copy of PAN
3	Shareholder not having valid PAN/ without registration of PAN / is a "specified person" as per Section 206AB of the Act.	20%	Not Applicable
4	Shareholder submitting certificate under Section 197 of the Act	Rate mentioned in the certificate	Self-attested copy of the certificate under Section 197 obtained from Income Tax Authority. The same should be valid for FY 2022-23 and should cover dividend income.
5	Insurance Company under Section 194 of the Act.	NIL	a. Self-attested copy of PAN b. Copy of registration certificate issued by IRDAI c. Self-declaration in (Annexure-C) that the shareholder has full beneficial interest with respect to the shares owned by it.
6	Persons covered under Section 196 of the Act (Govt, RBI, Corporations established under Central Act and exempt from Income Tax, Mutual Fund under Section 10(23D))	NIL	a. Self-attested copy of PAN b. Copy of registration / exemption substantiating the applicability of Section 196 of the Act. c. Self-declaration in (Annexure-C) that the person is covered under Section 196 of the Act.
7	Alternative Investment Fund (AIF) established in India	NIL	a. Self-attested copy of PAN b. Copy of registration certificate issued by SEBI c. Self-declaration in (Annexure-C) that its dividend income is not chargeable under the head 'Profit and Gains of Business or Profession' and exempt under section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI regulations.
		10%	This rate is applicable for Category III AIF
8	New Pension System(NPS)	NIL	Self-declaration that it qualifies as NPS trust and income is eligible for exemption under section 10(44) of the Act and being regulated by the provisions of the Indian Trusts Act, 1882 along with self-attested copy of the PAN card.
9	Any other entity exempt from withholding tax under the provisions of section 197A of the Act (including those mentioned in Circular No. 18/2017 issued by CBDT)	NIL	A self- declaration in (Annexure-C) that the person is covered under the provisions of section 197A of the Act.
10	Any other entity entitled to exemption from TDS	NIL	Valid self-attested documentary evidence (e.g., copy of the relevant registration, notification, order, etc.) in support of the entity being entitled to TDS exemption

For Non Resident Shareholders:

Sr. No.	Particulars	Tax Rate	Documents Required (Please mentioned DP ID and Client ID/ Folio No.)
1	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess) or Tax Treaty rate** whichever is lower	<p>Update/Verify the PAN and legal entity status as per the Act, if not already done, with the depositories. Provide declaration in (Annexure-D) whether the investment in shares has been made under the general FDI route or under the FPI route. Shareholders may also apply for a lower TDS rate as per the relevant Double Taxation Avoidance Agreements ('DTAA'), by submitting following documents:</p> <ol style="list-style-type: none"> Self-attested copy of PAN, if any. If PAN is not available, information to be provided under Rule 37BC(2) of Income Tax Rules, 1962 in (Annexure-E) Tax Residency Certificate (TRC)^ obtained from the tax authorities of the country of which the shareholder is a resident, valid for FY 2022-23 (covering the period from April 01, 2022 to March 31, 2023); Duly filled and Signed Form 10F in (Annexure-F) Self-declaration for FY 2022-23 (covering the period from April 01, 2022 to March 31, 2023) as per (Annexure-G) from Nonresident on shareholder's letterhead, primarily (not exclusive list) covering the following: <ul style="list-style-type: none"> Non-resident is eligible to claim the benefit of respective tax treaty Non-resident receiving the dividend income is the beneficial owner of such income Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India.
2	Other Non-resident shareholders (except those who are tax resident of Notified jurisdictional Area)	20% (plus applicable surcharge and cess) OR Tax Treaty Rate** (whichever is lower)	<p>Shareholders to update / verify their PAN and residential status as per the Act, if not already done, with the Depository Participant (if shares are held in DEMAT form) and with the Company's RTA in case of held in Physical.</p> <p>To avail the lower rate, the following to be submitted:</p> <ol style="list-style-type: none"> Self-attested copy of PAN, if any. If PAN is not available, information to be provided under Rule 37BC(2) of Income Tax Rules, 1962 in (Annexure-E) Self-Attested copy of the Tax Residency Certificate (TRC) ^ valid for FY 2022-23, obtained from the tax authorities of the country of which the shareholder is a resident. Duly filled and Signed Form 10F in (Annexure-F) Self-declaration for FY 2022-23 (covering the period from April 01, 2022 to March 31, 2023) from Non-resident, in (Annexure-G) primarily covering the following: <ul style="list-style-type: none"> Non-resident is eligible to claim the benefit of respective tax treaty; Non-resident receiving the dividend income is the beneficial owner of such income; Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India; Non-resident complies with any other condition prescribed in the relevant Tax Treaty and provisions under the Multilateral Instrument ('MLI'); Non-resident does not have a place of effective management in India. <p>Application of the beneficial rate of tax treaty for TDS is at the discretion of the Company and shall depend upon completeness of the documentation and review of the same by the Company.</p>

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3	Non-Resident Shareholders who are tax residents of Notified Jurisdictional Area as defined u/s 94A(1) of the Act	30%	Not Applicable
4	Submitting certificate u/s 197 (i.e. lower or NIL withholding tax certificate	Rate provided in the certificate	If lower/ NIL withholding tax certificate obtained from Income tax authority is submitted, tax will be withheld at the rate specified in the said certificate, subject to furnishing a self-attested copy of the same. The certificate should be valid for FY 2022-23.
5	Non-resident shareholder who is a "specified person" as per section 206AB.	40% (plus applicable surcharge and cess)	Not Applicable
6	Any other entity entitled to exemption from TDS	NIL	Self-declaration substantiating the fulfilment of prescribed conditions and Valid self-attested documentary evidence (e.g., copy of the relevant registration, notification, order, etc.) in support of the entity being entitled to TDS exemption.

^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.

Notes:

1. 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 in **(Annexure-H)**

2. Form 15G / Form 15H can be submitted only in case the shareholder's income tax payable on estimated total income for FY 2022-23 is NIL.

3. Lower deduction Certificate u/s 197 of the Act may be obtained under TAN of the Company i.e., MUMT09306D

4. Shareholders 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.

5. In case of any discrepancy in documents submitted by the shareholder, the Company will deduct tax at higher rate as applicable, without any further communication in this regard.

6. 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 alphanumeric number), the Company would consider fourth letter of PAN for determining the category of shareholders and the applicable tax rate/ surcharge/ education cess.

7. 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.

8. In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.

9. 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.

10. 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.

11. Further, shareholders who have not registered their email address are requested to register the same with our RTA at web link: https://web.linkintime.co.in/EmailReg/Email_Register.html Shareholders are further requested to complete necessary formalities with regard to their Bank accounts updation for enabling the Company to make timely credit of dividend in respective bank accounts. For any queries related to the payment of dividend, shareholders can write on email Id's i.e. rnt.helpdesk@linkintime.co.in or investor@dmcc.com

12. 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.

13. 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/ appellate proceedings before the Tax/ Government authorities.

14. TDS to be deducted at higher rate in case of non-filers of Return of Income

The provisions of Section 206AB require the deductor to deduct tax at higher of the following rates from amount paid/ credited to specified person:

i. At twice the rate specified in the relevant provision of the Act; or

ii. At twice the rates or rates in force; or

iii. At the rate of 5%

Where sections 206AA and 206AB both are applicable i.e. the specified person has not submitted the PAN as well as not filed the return; the tax shall be deducted at higher of two rates prescribed in these two sections.

As per Central Board of Direct Taxes vide Circular No. 11 of 2021 dated June 21, 2021, for determining TDS rate on Dividend, the Company will be using functionality of the Income-tax department to determine the applicability of Section 206AB of the Act.

The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

15. TO ALL SHAREHOLDERS FOR SUBMISSION OF TAX RELATED DOCUMENTS:

a. The Company with M/s. Link Intime India Private Limited, 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 from for tax exemption can be downloaded from the LIIPL's website. The URL for the same is <https://web.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://web.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. **The Dharamsi Morarji Chemical Company Limited**
2. Folio / DP-Client ID
3. PAN
4. Select Financial year (Dropdown) i.e. 2022-23
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)

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- c. Shareholders are encouraged to file documents for claiming tax exemption in the manner mentioned above by visiting the link <https://web.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 with copy to investor@dmcc.com or before **September 07, 2022** 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 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.

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.

By Order of the Board of Directors,

Registered Office:

Prospect Chambers,
317/321, Dr. Dadabhoy Naoroji Road, Fort, Mumbai 400 001.
CIN: L24110MH1919PLC000564

Website: www.dmcc.com
e-mail investor@dmcc.com

Date: August 12, 2022

Omkar Mhamunkar
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

M/s. Rahul Gautam Divan & Associates, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 96th Annual General Meeting ("AGM") held on December 26, 2017, for the 1st Term of five consecutive years, effective from the conclusion of 96th AGM till the conclusion of the 101st AGM of the Company and accordingly their 1st term is expiring at the conclusion of this (101st) AGM.

M/s. Rahul Gautam Divan & Associates are eligible for re-appointment for a further period of 5 years. M/s. Rahul Gautam Divan & Associates have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 (the Act) and the rules made thereunder.

Based on the recommendations of the Audit Committee and the Board of Directors, it is hereby proposed to re-appoint M/s. Rahul Gautam Divan & Associates, having registration No. 120294W, as the Statutory Auditor for the 2nd term of five consecutive years, effective from the conclusion of this 101st Annual General Meeting till the conclusion of the 106th AGM of the Company which may be held in the year 2027 and accordingly, it is proposed to reappoint M/s. Rahul Gautam Divan & Associates, Chartered Accountants as the Statutory Auditor for the 2nd term as mentioned above at a remuneration of ₹ 20.00 Lakhs (Rupees Twenty Lakhs Only) per annum plus payment of taxes as applicable and reimbursement of out of pocket expenses.

The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

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 40 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. The Board recommends the resolution set out at Item No. 5 of the

Notice for approval by the Members by way of an 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.

Item No. 6

Pursuant to 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 of Directors, the Board of Directors has approved the re-appointment of CMA Shri S. S. Dongare holding ICWA Registration No. 12521, as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2022-23, at a remuneration of ₹ 66,000/- (Rupees Sixty-Six thousand 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. 6 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.

Item No. 7 & 8

Shri Sanjeev V. Joshi and Shri Mukul M. Taly were appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the 97th Annual General Meeting ("AGM") held on September 26, 2018, for a term of five consecutive years commencing from February 14, 2018 upto February 13, 2023. ("1st Term").

The Nomination & Remuneration Committee at its Meeting held on May 24, 2022 after taking into account the performance evaluation of these Independent Directors, during their first term of five years and considering the knowledge, acumen, expertise and experience in their respective fields and the substantial contribution made by these Directors during their tenure as an Independent Director since their re-appointment, has recommended to

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the Board that continued association of these Directors as an Independent Directors would be in the interest of the Company.

Based on the above, the Nomination & Remuneration Committee and the Board considers it desirable and in the interest of the Company to continue Shri Sanjeev V. Joshi and Shri Mukul M. Taly on the Board of the Company and accordingly recommended the re-appointment of Shri Sanjeev V. Joshi and Shri Mukul M. Taly as Independent Directors on the Board of the Company, to hold office for the second term of five consecutive years commencing from February 14, 2023 upto February 13, 2028 ("2nd Term") and not liable to retire by rotation.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Shri Sanjeev V. Joshi and Shri Mukul M. Taly for their appointment to the office of Independent Directors.

A brief profile and other information as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 issued by ICSI is provided as Annexure to this Notice.

The above Directors have given a declaration to the Board that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations. In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Shri Sanjeev V. Joshi and Shri Mukul M. Taly fulfils the conditions specified in the Act for their appointment as an Independent Directors.

The Company has also received from the above directors: -

- a) the consent in writing to act as Director and
- b) intimation that they are not disqualified under section 164(2) of the Companies Act, 2013.
- c) a declaration to the effect that they are not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).
- d) 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.
- e) As required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, they are registered with Independent Directors Database maintained by the Indian Institute of Corporate Affairs.

A copy of the draft letter for the appointment of the above Directors as Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day and the same has also been put up on the Company website at www.dmcc.com.

The other details including the shareholding of these Directors, whose appointment is proposed at item nos. 7 & 8 of the accompanying Notice, have been given in the attached annexure.

The Board recommend the Resolutions for re-appointment of the Independent Directors at item no. 7 & 8 as Special Resolutions of this notice for your approval. Shri Sanjeev V. Joshi and Shri Mukul M. Taly, are concerned or interested in the resolutions of the accompanying notice relating to their own appointment.

Except Shri Sanjeev V. Joshi and Shri Mukul M. Taly, 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.

Item No. 9

The Dharamsi Morarji Chemical Company Limited popularly known as "**DMCC**" is engaged in the manufacturing of Chemicals (Sulphur Chemistry). Having more than 100 years of its presence in the market, the Company has emerged as one of the key players in the Sulphur Chemistry and the Company has built scale, expanded global footprint and also taking innovative steps to meet the diverse customer requirements. As a part of global chemical industry, Company has made considerable growth, with a presence in 25+ countries.

Since incorporation, the name of the Company has been The Dharamsi Morarji Chemical Company Limited. However, it is more commonly and popularly known in the market in its abbreviated form i.e. DMCC. Taking into consideration of its business, upcoming opportunities and the fact that the Company is more popularly known as '**DMCC**' in the market, it is proposed to change the name of the Company to **DMCC Speciality Chemicals Limited**. Your Directors are of the opinion that such abbreviated name would be prominently displayed in various packaging, advertisement, souvenir and such other material as may be needed and use of the abbreviated form is considered more relevant at this point of time.

The Ministry of Corporate Affairs, Office of the Registrar of Companies, Central Registration Centre vide their letter dated July 07, 2022 with respect to the SRN No. F13785803

dated July 04, 2022, has intimated it's no objection to the proposed name as **"DMCC Speciality Chemicals Limited"** should the Company decide to change the corporate name to **"DMCC Speciality Chemicals Limited"** from the existing name of the Company i.e. 'The Dharamsi Morarji Chemical Company Limited'.

Accordingly, the shareholders may note that the Board of Directors of the Company at its Meeting held on August 12, 2022, has approved the proposal for change of name of the Company from **'The Dharamsi Morarji Chemical Company Limited'** to **'DMCC Speciality Chemicals Limited'**, subject to the approval of the Ministry of Corporate Affairs, the shareholders of the Company, Stock Exchanges and other relevant statutory and regulatory authorities.

Pursuant to Sections 5, 13 and 14 of the Act, change in name and consequent amendment in the Memorandum of Association and Articles of Association of the Company and all other related documents require approval of the shareholders of the Company by way of Special Resolution and subsequent approval of Ministry of Corporate Affairs.

A draft copy of the amended Memorandum of Association and Articles of Association is available for inspection by members at the Registered Office of the Company between 11:00 a.m. to 01:00 p.m. on all working days (Monday to Friday) from the date of from the date of dispatch of this Notice up to the date of the ensuing Annual General Meeting of the Company.

It is also hereby confirmed that the Company is in compliance with the conditions prescribed in Regulation

45 of the SEBI Listing Regulations and M/s. Rahul Gautam Divan & Associates, Chartered Accountants, (ICAI Firm registration number: 120294W) vide their certificate dated August 09, 2022 has confirmed the compliance with conditions stipulated under sub-regulation (1) of Regulation 45 of the SEBI Listing Regulations, which is enclosed herewith. The Certificate is also available on the Company's website at www.dmcc.com under Investor Section.

The proposed change of name would neither result in change of the legal status or constitution or operations or activities of the Company, nor would, affect any of the rights or obligations of the Company or of the shareholders / stakeholders of the Company. All existing share certificates bearing the current name of the Company will, after the change of name, continue to be valid for all purposes.

Approval of the Shareholders is being sought for Change of Name of the Company from **'The Dharamsi Morarji Chemical Company Limited'** to **'DMCC Speciality Chemicals Limited'** as per Item No. 9 of the Notice.

The Board recommends the Resolutions at Item No. 9 for your approval as Special 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.

By Order of the Board of Directors,

Registered Office:

Prospect Chambers,
317/321, Dr. Dadabhoy Naoroji Road, Fort, Mumbai 400 001.
CIN: L24110MH1919PLC000564
Website: www.dmcc.com
e-mail investor@dmcc.com
Date: August 12, 2022

Omkar Mhamunkar
Company Secretary

STATUTORY REPORT

CERTIFICATE PURSUANT TO REGULATION 45(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Board of Directors
The Dharamsi Morarji Chemical Company Ltd
317/321, Prospect Chambers,
Dr. D. N. Road, Fort,
Mumbai – 400 001

Sub : Independent Auditor's Certificate pursuant to Regulation 45(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I. Background

The Dharamsi Morarji Chemical Company Limited (CIN L24110MH1919PLC000564), a company incorporated on September 25, 1919 under the Indian Companies Act, 1913 and the Company within the meaning of The Companies Act, 2013, and having its Registered Office at Prospect Chambers, 317/321, Dr. D.N. Road, Fort, Mumbai - 400 001 (hereinafter referred to as the "Company") is a fully integrated specialty chemical company that specializes in Sulphur, boron and ethanol chemistry, exporting its products to markets worldwide. Its products find application in a variety of end-use industries, such as, pharmaceuticals, detergents, dyes, fertilizers, pigments and cosmetics etc.

The Company is listed in BSE Limited (Scrip Code: 506405) and National Stock Exchange of India Limited (Scrip Code: DHARAMSI).

II. Transaction

The Board of Directors decided that considering the abbreviated form of name "DMCC" being more popularly known in the market, the name of the Company be changed to "DMCC Speciality Chemicals Limited" to aptly reflect the same. Accordingly, an application was made by the Company to the Ministry of Corporate Affairs seeking availability of name for proposed change of name of the Company vide F13785803 dated July 04, 2022 and the Ministry of Corporate Affairs, Office of the Registrar of Companies, Central Registration Centre vide their letter dated July 07, 2022 has intimated their no objection in the availability of the proposed name i.e. **"DMCC Speciality Chemicals Limited"** from the existing name of the Company i.e. **"The Dharamsi Morarji Chemical Company Limited"**.

III. Purpose of Issue of the Certificate

Regulation 45(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter called 'the Listing Regulations'] as amended upto date requires the Company to include a certificate from a practicing chartered accountant stating compliance with conditions provided in Regulation 45(1) of the Listing Regulations in the explanatory statement to the notice seeking shareholders' approval for change in name.

IV. Management's Responsibility

Ensuring the compliance of conditions of Listing Regulations 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, presentation and compliance of conditions of the Listing Regulations. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the Listing Regulations, issued by the Securities and Exchange Board of India.

V. Auditor's Responsibility

Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Regulation 45(1) of the Listing Regulations in the matter of proposed change of name of the Company.

VI. Opinion

Based on our examination and information/explanations provided to us in terms of regulation 45(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm as under:

- 1. A time period of at least one year has elapsed from the last name change:** The Dharamsi Morarji Chemical Company Limited (CIN: L24110MH1919PLC000564), has incorporated on September 25, 1919 and The Company has not changed its name since the Incorporation.
- 2. At least fifty percent. of the total revenue in the preceding one-year period has been accounted for by the new activity suggested by the new name -** Not applicable as the Company is largely known as specialty chemical company that specializes in Sulphur, boron and ethanol chemistry and its products find application in a variety of end-use industries, such as, pharmaceuticals, detergents, dyes, fertilizers, pigments and cosmetics etc. Total revenue is accounted from the same activities.
- 3. The amount invested in the new activity/project is at least fifty percent of the assets of the listed entity -** Not applicable, as the company is carrying its existing activities only and there is no change in the nature of business activities of the Company.

For Rahul Gautam Divan & Associates
ICAI Firm registration number: 120294W
Chartered Accountants

Rahul Divan
Partner
Membership No.: 100733
UDIN: 22100733AOPFSO1130

Date: August 09, 2022
Place: Mumbai

Directors' Report

Dear Members,

The Directors are pleased to present the Company's One Hundred and First (101st) Annual Report together with the audited financial statements for the financial year ended March 31, 2022.

FINANCIAL PERFORMANCE

₹ In Lakhs (Except EPS)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Sales Turnover	32,420.16	19,634.33	32,420.38	19,639.15
EBITDA	4,610.20	4,323.80	4,609.58	4,327.14
Less : Depreciation & Amortization	803.86	681.78	805.98	682.94
Less : Finance Cost	389.37	240.00	389.37	240.00
Profit Before Tax (PBT)	3,416.96	3,402.02	3,414.23	3,404.21
Less : Current Tax	890.00	600.00	889.60	600.40
Less : Deferred Tax	390.62	(454.05)	390.62	(454.05)
Profit After Tax	2,136.34	3,256.07	2,134.01	3,257.86
Add : Other Comprehensive Income (net of tax)	33.61	(49.18)	33.61	(49.18)
Total Comprehensive Income	2,169.95	3,206.90	2,167.62	3,208.68
Balance brought forward from last year	12,950.14	10,074.64	12,973.24	10,095.96
Other items of Other Comprehensive Income	(33.61)	49.18	(33.61)	49.18
Dividend Paid	(124.70)	(380.58)	(124.70)	(380.58)
Transfer to Capital Redemption Reserve	(280.00)	-	(280.00)	-
Balance Carried to Balance Sheet	14,681.78	12,950.14	14,702.55	12,973.24
Basic & Diluted EPS (In ₹)	8.57	13.06	8.56	13.06

Your Directors are pleased to inform you that, with higher realisations and volumes, the Company has made robust growth in top line. On a consolidated basis, the revenue from sales increased to ₹ 32,420.38 Lakhs for FY 21-22 as against 19,639.15 Lakhs in the previous year, an increase of 65.08% and on a standalone basis, the revenue from sales increased to ₹ 32,420.16 Lakhs for FY 21-22 as against 19,634.33 Lakhs in the previous year, an increase of 65.12%.

Despite the slow moving economy, market uncertainty and inflation, the company has been able to achieve and maintain the EBITDA on consolidated basis at ₹ 4,609.58 Lakhs in FY 21-22 as against ₹ 4,327.14 Lakhs in the previous year, an increase of 6.53% and the Profit before tax stood at ₹ 3,414.23 Lakhs in FY 21-22 as compared to the profit of ₹ 3,404.21 Lakhs in the previous year.

On Standalone basis EBITDA was ₹ 4,610.20 Lakhs in FY 21-22 as against ₹ 4,323.80 Lakhs in the previous year, an increase of 6.62% and the Profit before tax stood at ₹ 3,416.96 Lakhs in FY 21-22 as compared to the profit of ₹ 3,402.02 Lakhs in the previous year.

For FY 20-21, EBITDA includes profit of ₹ 494.10 Lakhs on account of the completion of assignment/ transfer of the Company's closed Khemli Unit and therefore on consolidated basis the adjusted EBITDA and PBT for FY 21-22 stands increased by 20.26% and 17.32% respectively and at 20.38% and 17.51% on standalone basis.

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 face value of ₹ 10/- each for the year ended March 31, 2022. The Dividend, subject to the approval of Members at the ensuing Annual General Meeting and if approved by the members, will be paid within the time period stipulated under the Companies Act, 2013 (subject to deduction of Tax at source).

During the year, the Company has also paid ₹ 7.00 Lakhs (After Tax ₹ 6.30 lakhs) being dividend @ 2.5% on 280000 cumulative, non-convertible redeemable preference shares of ₹ 100/- each at the time of redemption by the Company on March 07, 2022.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendments thereto ("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

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profits for FY 2021-22 in the profit and loss account.

Further, the Company has redeemed its entire outstanding 2.5%, 280000 cumulative, non-convertible redeemable preference shares of ₹ 100/- each on March 07, 2022 and accordingly, pursuant to Section 55 (2)(c) of the Companies Act, 2013, a Capital Redemption Reserve of sum equivalent to the nominal amount of the Preference Shares redeemed i.e. ₹ 2,80,00,000/- (Rupees Two Crore Eighty Lakhs) has been created out of the retained earnings.

EQUITY SHARE CAPITAL

As on March 31, 2022, the issued, subscribed and paid up share capital of your Company stood at ₹ 24,93,99,330/- (Rupees Twenty-Four Crores Ninety-Three Lakhs Ninety-Nine Thousand Three Hundred Thirty Only), comprising of 24939933 Equity shares of ₹ 10/- each.

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.

LISTING OF SHARES

Your Directors are pleased to inform you that w.e.f. December 01, 2021, the Company has listed its Equity Shares at National Stock Exchange of India Limited (NSE) (Scrip Symbol: DHARAMSI). The Equity shares of the Company has already been listed on BSE Limited (BSE) (Scrip Code: 506405) since March 01, 1959.

REDEMPTION OF REDEEMABLE PREFERENCE SHARES

Your Company has redeemed its entire outstanding 2.5%, 280000 Nos. of Cumulative, Non-Convertible Redeemable

Preference Shares of ₹ 100/- each on March 07, 2022 out of profits of the Company.

BOARD MEETINGS

The Board met five times during the Financial Year 2021-22 namely, May 21, 2021, August 10, 2021, September 23, 2021, November 01, 2021 and February 11, 2022. The maximum time gap between any two Board Meetings was not more than 120 days as required under 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 composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

SUBSIDIARY COMPANY

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 prescribed form AOC -1 (**Annexure V**).

Further, pursuant to the provisions of Section 136 of the Act, the standalone and consolidated financial statements of the Company and financial statement of the subsidiary, are available on the website of the Company at 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

CONSOLIDATION OF ACCOUNTS

In pursuance of the mandatory compliance of the 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 Company, viz. Borax Morarji (Europe) GmbH, Germany. A separate report of the Statutory Auditor 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

STATUTORY REPORT

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 2021-22 and the date of this report.

AUDITORS REPORT

The Auditors' Report on standalone and consolidated financial statements for the year ended March 31, 2022 forms 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 have evolved and have been formulated in terms of the provisions of the Companies Act, 2013 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 (Includes 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.

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 www.dmcc.com

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/DMCC_Policy_Remuneration.pdf

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2022, the Board of Directors comprised of eight members including two women members of which one is Independent member. The Board has an appropriate mix of Executive Directors ('EDs'), Non-Executive Directors ('NEDs') and Independent Directors ('ID'), 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. Dr. (Mrs.) Janaki Ashwin Patwardhan (DIN: 09180182) was appointed as a Non-Executive Independent Director of the Company for a first term of five consecutive years w.e.f. May 21, 2021 by the Board.
- ii. Shri Dilip Trimbak Gokhale (DIN: 06734397) was elevated to the position of "Whole Time Director" designated as an "Executive Director" and Key Managerial Personnel of the Company by the Board for the period of three years w.e.f. May 22, 2021, from his existing position as "Sr. Executive Vice President & Company Secretary". Consequent upon the change of designation of Shri Dilip Trimbak Gokhale, as aforesaid, he ceased to be the Company Secretary

& Compliance Officer of the Company w.e.f. May 22, 2021.

- iii. Shri Omkar Chandrakant Mhamunkar (ACS 26645) was appointed as the Company Secretary & Compliance Officer of the Company and Key Managerial Personnel of the Company by the Board in terms of Section 203 of the Companies Act, 2013, w.e.f. May 22, 2021.

The aforesaid appointments was made by the Board pursuant to the recommendation of Nomination and Remuneration Committee (NRC) and the appointment of directors as aforesaid were duly approved by the members of the Company at the 100th Annual General Meeting held on September 22, 2021.

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, 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, brief profile and other related information of Shri Laxmikumar Narottam Goculdas (DIN: 00459347) Non-Executive Chairman retiring by rotation is provided in the Notice of ensuing AGM.

c) Recommendation of re-appointment of Non-Executive Independent Directors

The existing first term of Shri Sanjeev Vishwanath Joshi (DIN :00392020) and Shri Mukul Manoharlal Taly (DIN: 01334360), Non-Executive Independent Directors is expiring on February 13, 2023 and they are eligible for the re-appointment for a second term of five consecutive years.

Pursuant to the recommendation of Nomination and Remuneration Committee (NRC), and on the basis of performance evaluation, the Board of Directors of the Company at its meeting held May 24, 2022, approved and recommended to the members of the Company, re-appointment of Shri Sanjeev Vishwanath Joshi and Shri Mukul Manoharlal Taly as Non-Executive Independent Directors of the Company, not liable to retire by rotation, for a second term of five consecutive years w.e.f. February 14, 2023 to February 13, 2028.

Accordingly, special resolutions for their re-appointment is included in the Notice of ensuing Annual General Meeting (AGM).

As per Secretarial Standard - 2 and the Listing Regulations, brief profile and other related information of Shri Sanjeev Vishwanath Joshi and Shri Mukul Manoharlal Taly, Non-Executive Independent Directors is provided in the Notice of ensuing AGM.

As on March 31, 2022, Shri Bimal Lalitsingh Goculdas, Managing Director and Chief Executive Officer, Shri Dilip T. Gokhale, Executive Director, Shri Chirag J. Shah, Chief Finance Officer and Shri Omkar C. Mhamunkar, Company Secretary are the Key Managerial Personnel of the Company in terms of Section 203 of the Companies Act, 2013.

COMMITTEES OF THE BOARD

Currently, the Company has Six Board Level Committees: 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 on March 31, 2022 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 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, the non-executive Directors of the Company had no pecuniary relationship or transactions with 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 Taly and Dr. (Mrs.) Janaki Ashwin 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, performance

STATUTORY REPORT

of the Individual Directors and the working of its Committees, based on the evaluation criteria defined by Nomination and Remuneration Committee (NRC) for performance evaluation process of the Board, its Committees and Directors.

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 10, 2022 through Video conferencing. At the said meeting, Independent Directors discussed and evaluated performance of 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 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

Adequate diversity on the Board is essential to meet the challenges of business globalisation, rapid deployment of technology, greater social responsibility, increasing emphasis on corporate governance and enhanced need for risk management. 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 at the website of the Company at https://www.dmcc.com/Media/pdf/Board-Diversity-Policy_DMCC.pdf

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year under review were at arm's length basis and were in the ordinary course of business.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at

large. The Audit Committee and the Board of Directors at their meetings have reviewed and approved all the related party transactions undertaken by the Company during the Financial Year. All Related Party Transactions are placed/routed through the Audit Committee and the Board of Directors. None of the Directors has any pecuniary relationships or transactions with the Company. The related party transactions entered into by the Company are disclosed in Note no 42 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

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 procedure 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 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 regards to maintaining of proper accounting controls for ensuring 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, 2022, 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)

The prime endeavour of our Management is to achieve Environment Health and Safety (EHS). The Company has its 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 our 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, CRISIL has upgraded the Credit Rating from CRISIL BBB/Stable to CRISIL BBB+/Stable for the Bank Loan

Facilities and Assigned FA-/Stable rating for the Company's Fixed Deposit Programme.

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 one of the few in India authorized to use the Responsible care® logo. This has been achieved after extensive site and systems component, third party mentoring, and a series of audits. The existing validity of the Company to use logo was from March, 2019 to February, 2022 and renewable thereafter. The Board is pleased to inform you that, based on Responsible Care Audit, the Company is authorised to use Responsible Care® Logo, 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, 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 Europe market.

d. ISO Certification: The Company enjoys ISO 9000:2015 Certification for manufacture of various Chemicals at Roha, Dist. Raigad in the State of Maharashtra. The Company is in the process of obtaining similar ISO Certification for the operations at Dahej in course of time.

e. REACH: REACH regulation is adopted by the European Union to improve protection of human health and environment from the risks of that can be posed by the

STATUTORY REPORT

Chemicals. REACH stand for Registration, Evaluation, and Authorisation of all Chemical Substances. 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 National Safety Council:** Your Company is awarded with "Certificate of Merit " under ("Chemical and Fertiliser Category") by National Safety Council - Maharashtra Chapter for achieving "Zero Accident Frequency Rate" for the year 2020 for its Manufacturing Facility at Roha, Maharashtra.

AUDITORS:

a) Statutory Auditors:

Messrs. Rahul Gautam Divan & Associates, Chartered Accountants (ICAI Firm Registration No.120294W) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 96th Annual General Meeting ('AGM') held on December 26, 2017 until the conclusion of the ensuing i.e. 101st AGM and is eligible for reappointment for 2nd term of five consecutive years.

The Company has received confirmation from the Auditors to the effect that their appointment, if made, will be in accordance with the limits specified under the Companies Act, 2013 and the firm satisfies the criteria specified in Section 141 of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules 2014.

The Board is of the opinion that continuation of Messrs. Rahul Gautam Divan & Associates, as Statutory Auditors will be in the best interests of the Company and therefore, the members are requested to consider their re-appointment as Statutory Auditors of the Company, for a term of five years, from the conclusion of the ensuing Annual General Meeting, till the Annual General Meeting to be held in the calendar year 2027, at such remuneration mutually agreed and approved by the Board.

The Auditors' Report on the financial statements of the Company for the financial year ended March 31, 2022 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.

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 40 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, 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 Act as specified by the Central Government. The Cost Audit Report, for the financial year ended March 31, 2021, was filed with the Central Government within the prescribed time. The Board, on recommendation of the Audit Committee, had appointed Shri S.S. Dongare, Cost Accountant as the Cost Auditors to conduct the audit of Company's cost records for the financial year ended March 31, 2022.

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, 2022 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, 2023 is required to be ratified by the members, the Board recommends the same for approval by members at the ensuing AGM.

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, Practicing Company Secretaries (FCS 6398/ PCS 6632) were appointed to conduct the secretarial audit of the Company for the financial year 2021-22.

SECRETARIAL AUDIT REPORT

The Secretarial Audit Report for the FY 2021-22 as submitted by 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.

ANNUAL SECRETARIAL COMPLIANCE REPORT

Pursuant to the regulation 24A of the Listing Regulation, the Company has submitted the Annual Secretarial Compliance Report for the financial year ended March 31, 2022, issued by Shri Satish Kumar Jain, Proprietor of SKJ & Associates, Practicing Company Secretaries with the stock exchanges where shares of the Company are listed.

PARTICULARS OF EMPLOYEES

The particulars of employees as required under section 197 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, 2022 have been furnished and are provided in "**Annexure IV**" to this 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 101st Annual General Meeting.

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 ₹ 8.13 Crores and as on March 31, 2022 fixed deposit aggregating to ₹ 8.13 Crores 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, 2022.

Post-Merger of Borax Morarji Limited (BML) with your Company, the balance amount of unclaimed matured deposit of erstwhile BML, as on March 31, 2021 was ₹ 0.50 Lakhs. During the year 2021-22, the Company has duly transferred ₹ 0.30 Lakhs to the Investor Education and Protection Fund. Thus, as on March 31, 2022, the unclaimed matured deposits are ₹ 0.20 Lakhs.

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

As of now the Company is not required to transfer any Unclaimed / 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 Divided	22-09-2021	20-10-2028

The details of Unclaimed Dividend 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.

STATUTORY REPORT

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

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. The same was within the limits specified under Section 186 of the Companies Act, 2013. Particulars of investments and disclosure required under Section 186(4) of the Companies Act, 2013 are provided in the notes to the standalone financial statements.

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, external Auditor and Secretarial Auditor, 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, 2022.

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, 2022, 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, 2022 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

Your Company strives to ensure that best corporate governance practices are identified, adopted and consistently followed. Your Company believes that good governance is the basis for sustainable growth of the business and for enhancement of stakeholder's value.

Pursuant to Regulation 34 of the Listing Regulations a separate Section titled Report on Corporate Governance has been 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 REPORT

In terms of Regulation 34(2)(f) of the Listing Regulations, detailed information on the initiatives taken by the Company from an environmental, social and governance perspective is provided in the Business Responsibility Report which forms part of this 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 to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. 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 www.dmcc.com

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 www.dmcc.com. The Annual Report on CSR activities in terms of the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014 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. 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, 2022.

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 2021-22 is uploaded on the website of the Company and the same is available at the website of the Company at www.dmcc.com

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.

GENERAL DISCLOSURE

During the year under review:

- a) the Company has not made any provisions of money or has not provided any loan to the employees of the Company for purchase of shares of the Company, pursuant to the provisions of Section 67 of Companies Act, 2013 and Rules made thereunder.
- b) 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.

- c) 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.
- d) 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 OWING TO COVID-19

In compliance with the provisions of MCA vide its Circular No. 03/2022 dated May 05, 2022, and SEBI circular dated May 13, 2022 has dispensed with the printing and despatch of hard copies of annual reports to shareholders. Hence, the Annual Report 2022-22 is being sent only through electronic mode to those Members whose email IDs are available with the Company / Depositories / RTA. The Annual Report 2021-22 is available on the Company's website at 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 DMCC's continuance towards greener environment by enabling the service of the Annual Report, AGM Notice and other documents electronically to your email address registered with your Depository Participant/ Registrar and Share Transfer Agent.

ACKNOWLEDGEMENTS

The Directors are thankful to your Company's shareholders, customers, suppliers, and contractors, various departments of Central and State Governments and Banks for their continued valuable support. 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

Registered Office

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

Date: May 24, 2022

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 process.

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

a) Waste Heat Recovery System: The Company continuous to explore the resources and possibilities to operate in more sustainable manner. The Company continues to generate electricity of approx. 7,200 Units per day from 0.5 MW Turbine Generator (TG) through the Waste Heat generated from the Sulphuric Acid Plant at Roha. Further in Q4 FY 22, the Company replicated similar set up at its Sulphuric Acid Plant at Dahej, wherein installed TG of 2.0 MW which can generate electricity of approx. 25,000 Units per day. Therefore, on combined level, the Company will save approx. 32,200 Units per day.

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

c) Rainwater Harvesting: The Company has built Reservoir Pond with a Capacity of approx. 1000 m³ which reduces requirement of municipal water about 50m³ to 60m³ per day from MIDC during rainy season.

d) Effluent Water Recycling: With effluent water recycling in cooling towers, the Company saves about 120 m³ water per day by using new technology i.e SCALEBAN technology and proportionally saves approx. 120 m³ fresh water per day.

e) STP Unit: The Company has installed STP plant with a capacity of 20 m³ water per day. The treated water in STP use for gardening and for other work. The commissioning of STP reduce load of ETP by 20 KLPD and also saving of fresh water from GIDC approx. 20 m³ per day.

f) Coal Elimination: The Company has discontinued the use of Coal Fired Boiler on commissioning of Sulphuric Acid Plant at Dahej, whereby eliminated the coal requirement by 8 MT/day, thereby reducing the carbon emission.

g) R.O. Unit: The Company has installed RO plant with a capacity of 65 m³ 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. 50 m³ per day.

h) Supply of Steam to neighbouring units: The Company also supplies about 100 MT steam per day to the neighbouring Units, thereby helping them to reduce carbon emission by saving fuel. The Company also finalised agreements to supply about 200 MT steam per day to the neighbouring Units, thereby helping them to reduce carbon emission.

iii. The capital investment on energy conservation equipment:

a) Sewage Treatment Plant (STP): ₹ 18 Lakhs

b) Turbine Generator for 2 MW: ₹ 3 Crore

c) SCALEBAN Technology with Agitated thin film dryer (ATFD – ₹ 1.50 Crore for drying the slurry from Multi Effect Evaporator (MEE)

Conservation of Energy Power and Fuel Consumption

Particulars	April, 2021 to March, 2022	April, 2020 to March, 2021
Electricity Purchased		
- Units (Lakhs in KWH)	137.16	103.62
- Total Amount (₹ In Lakhs)	1004.44	908.19
- Rate/Unit (₹/KWH)	7.32	8.76
-		
Furnace Oil-Consumed		
- Quantity (MT)	37.42	195.03
- Total Amount (₹ Lakhs)	14.49	60.87
- Average Rate (₹/MT)	38,721	31,211
-		
Diesel -Consumed		
- Quantity (K. Litre)	201.77	160.10
- Total Amount (₹ Lakhs)	189.16	120.68
- Average Rate (₹/KL)	93.75	75.38
-		
LPG-Consumed		
- Quantity (KG)	27016	-
- Total Amount (₹ Lakhs)	24.61	-
- Average Rate (₹/KG)	91.09	-
-		
Coal		
- Quantity (MT)	2648.76	2551
- Total Amount (₹ Lakhs)	230.26	131.82
- Average Rate (₹/MT)	8693.09	5166.94
-		
PNG		
- Quantity (SCM)	161064	137298
- Total Amount (₹ Lakhs)	88.42	54.6
- Average Rate (₹/SCM)	54.9	39.77
-		
Consumption per Tonne of Major Products Electricity (Unit – KWH)		
- 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 Specialty 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.
- Technical support to Marketing efforts for launching new products and for trouble shooting of existing products.

The Company has an on - going process of Research & Development and the Company continues its efforts to assimilate group technology for introducing new products and improving product quality. The management is focused on introduction of high-end technology within the country and abroad.

STATUTORY REPORT

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

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.**

(₹ In Lakhs)

Particulars	April, 2021 to March, 2022	April, 2020 to March, 2021
(i) Capital	27.15	-
(ii) Recurring	166.86	209.68
(iii) Total	194.01	209.68
(iv) Total R and D expenditure as a percentage of sales turnover	0.59%	1.05%

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 preparation of new Specialty Chemicals 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 process and expand the existing plant.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

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

(₹ In Lakhs)

Particulars	April, 2021 to March, 2022	April, 2020 to March, 2021
Earnings In Foreign Exchange:		
Export of goods calculated on FOB basis	8,186.10	6,103.54
Total Foreign Exchange earned	8,186.10	6,103.54
Outgo In Foreign Exchange:		
(1) Value of imports calculated on CIF basis		
Raw Materials and bought outs	1,484.23	1,567.82
(2) Expenditure in foreign currency		
On Account Of Foreign Tours, Subscription, etc.	100.65	306.13
Total Foreign Exchange outgo	1,584.88	1,873.95

For and on behalf of the Board
Laxmikumar Narottam Goculdas

Registered Office

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

Date: May 24, 2022

Chairman
DIN: 00459347

Annexure II to The Directors' Report

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company

At 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 an inclusive growth and sustained progress. DMCC has the tradition of supporting social & educational causes ever since 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.

2. Composition of the CSR committee:

The composition and the functions of the Company's Corporate Social Responsibility (CSR) Committee as contemplated as per Section 135 of the Companies Act, 2013 is as under:

The Company has formed 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 T. 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 Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company

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

Project approved by the Board for FY 2021-22 is available on the website of the Company at www.dmcc.com

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

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

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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in Lakhs)	Amount required to be setoff for the financial year, if any (₹ in Lakhs)
1	2020-21	NIL*	NIL

* The Company has spent ₹ 2.05 lakhs excess in FY 2020-21. However, the Board of Directors decided not to avail set off.

STATUTORY REPORT

6. Average net profit of the company as per section 135(5): ₹ 3,597.11 Lakhs

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 71.94 Lakhs

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 72.00 Lakhs

8. (a) 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
73.09	Nil	N.A.	N.A.	Nil	N.A.

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

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

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

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹ Lakhs).	Mode of implementation on Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Environment Protection	Protection of Flora and Fauna	No	Uttarakhand/ Madhya Pradesh		24.00	No	Corbett Foundation	CSR00000183
2	Social	Social Welfare for differently abled	Yes	Gujarat	Porbandar & Surendranagar	10.00	No	Sense International India	CSR00000557
3	Hostel for Girls from North East States at Chiplun, Roha	Women Empowerment	Yes	Maharashtra	Raigad	1.10	No	RSS Janakalyan Samiti	CSR00000424
4	Environment Protection	Conservation of Bio Diversity	Yes	Kokan, Raigad, Maharashtra		6.00	No	Sahyadri Nisarga Mitra	CSR00003054
5	Hostel for Poor Children	Social Empowerment	Yes	Gujarat	Bharuch	1.70	No	Kalrav Charitable Trust	CSR00001331
6	Social Empowerment	Lodging and Boarding for Differently abled children	Yes	Gujarat	Bharuch	1.50	No	Asmita Vikas Kendra, Nabipur, Bharuch	CSR00003610
7	Social Empowerment	Welfare of Poor Children	Yes	Gujarat	Bharuch	2.00	No	Pawan Education Trust, Bharuch	CSR00022075

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹ Lakhs).	Mode of implementation on Direct (Yes/ No).	Mode of Implementation - Through\ Implementing Agency	
				State	District			Name	CSR Registration number
8	Social Empowerment	Old age home	Yes	Maharashtra	Thane	3.00	No	Kamaldham Vriddhashram, Ambernath	CSR00008298
9	Social Empowerment	Lodging and Boarding for Differently abled children	Yes	Maharashtra	Thane	1.00	No	Ameya Palak Sanghatana,	CSR00020876
10	Medical related services including free /concessional rate accommodation to poor patients undergoing treatment for cancer & other diseases.	Health	Yes	Maharashtra	Mumbai	1.50	No	Nana Palkar Smruti Samiti, Mumbai	CSR00001230
11	Hostel for Nagaland Students	Hostel	Yes	Maharashtra	Thane	1.50	No	Abhyudaya Prathisthan	CSR00015116
12	Old Age Home	Contribution for DG Set for Old Age Home to ensure uninterrupted Power Supply	No	Maharashtra	Thane	2.00	No	Shri Akkalkot Swami Seva Mandal	CSR00011778
13	"Women Empowerment Through: 1) In depth study of women conditions; 2) research and awareness programme regarding various policies supporting them. 3) Providing of training and all the necessary information to the Women;	Women Empowerment	Yes	Maharashtra	Mumbai	2.00	No	Drishti Stree Adhyayan Prabodhan Kendra	CSR00013051
14	Awareness about Science	Education	Yes	Maharashtra	Mumbai	1.5	No	Marathi Vidnyan Parishad	CSR00021972
15	Education	Education	Yes	Union Territory	Silvassa	3.00	No	Vidya Bharti Gujarat Pradesh Project (netaji Subhash Chanra Bose Militari Academy)	CSR00006412
16	Healthcare	Health	No	Maharashtra	Mumbai	1.00	No	Nana Saheb Putambekar	CSR00018441
17	Expenditure on prevention/mitigation/ medication and sanitation	Health	Yes	Maharashtra	Raigad	9.20	Yes	Through Direct/ Government/ Semi Government and other agencies	Not Applicable
18	E-Learning and Education	Education	Yes	Maharashtra	Raigad	0.51	Yes	M B Patil English School	Not Applicable
19	Flood Relief for Mahad	Flood Relief	Yes	Maharashtra	Mahad	0.58	Yes	Flood Relief	Not Applicable
Total						73.09			

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(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 73.09 Lakhs

(g) Excess amount for set off, if any: ₹ 1.15 Lakhs

Sl. No.	Particular	Amount (₹ In Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	71.94 [#]
(ii)	Total amount spent for the Financial Year	73.09
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.15 [#]
(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)]	1.15 [#]

[#] The Board has decided to spent ₹ 72.00 Lakhs for FY 2021-22 and actual amount spent by the Company for FY 2021-22 is ₹ 73.09 Lakhs and accordingly ₹ 1.09 Lakhs excess spent by the Company for FY 2021-22.

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

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Lakhs)	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)
				Name of the Fund	Amount (in ₹)	Date of transfer	
NOT APPLICABLE							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹ in Lakhs)	Amount spent on the project in them reporting Financial Year (₹ in Lakhs)	Cumulative amount spent at the end of reporting Financial Year (₹ in Lakhs)	Status of the project - Completed / Ongoing
NOT APPLICABLE								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

- (a) Date of creation or acquisition of the capital asset(s): N.A.
 (b) Amount of CSR spent for creation or acquisition of capital asset: N.A.
 (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: N.A.
 (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N.A.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable. The Company has completed spending its CSR obligation in full for the Financial Year 2021-22.

Mitika L. Goculdas

Vice Chairperson of the Board and
 Chairperson of CSR Committee
 DIN: 02879174

Date: May 24, 2022

Place: Mumbai

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, 2022)

[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,
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 **The Dharamsi Morarji Chemical Company Limited** (CIN: L24110MH1919PLC000564) having its registered office at Prospect Chambers 317/21D N Road Fort, Mumbai – 400 001 (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 and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 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, 2022 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;

STATUTORY REPORT

- 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, 1959;
 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. The Listing Agreements entered into by the Company with BSE Limited read with the 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. as mentioned above

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: F006398D000302529

Place: Mumbai
Date: May 24, 2022

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,
The Dharamsi Morarji Chemical Company Limited
Prospect Chambers 317/21D N Road,
Fort, Mumbai – 400 001

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, 2022.
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: F006398D000302529

Place: Mumbai
Date: May 24, 2022

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

1. 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 Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

Sr. No.	Name of the Directors/ KMP	Designation	Remuneration of Directors/ KMP for the year 2021-2022 (Amount in ₹)*	% Increase in Remuneration in the year 2021-2022	Ratio of Remuneration to Median Remuneration
1	Shri Laxmikumar Narottam Goculdas	Chairman, Promoter, Non- Executive	10,81,000 [#]	15.61	3.32
2	Ms Mitika L. Goculdas	Vice-Chairperson, Promoter, Non- Executive	3,60,000 [#]	15.38	1.11
3	Shri Haridas T. Kapadia [@]	Non-Executive, Independent	1,67,000 [#]	NA	NA
4	Shri Madhu T. Ankleshwaria	Non-Executive, Independent	3,60,000 [#]	15.38	1.11
5	Shri Arvind. W. Ketkar [@]	Non-Executive, Independent	1,67,000 [#]	NA	NA
6	Shri Mukul Manoharlal Taly	Non-Executive, Independent	3,60,000 [#]	15.38	1.11
7	Shri Sanjeev V. Joshi	Non-Executive, Independent	3,60,000 [#]	15.38	1.11
8	Shri Bimal Lalitsingh Goculdas	Executive Director, Promoter, Managing Director, and CEO	1,78,03,700 ^{**}	22.93	54.69
9	Shri Dilip Trimbak Gokhale	Executive Director	42,13,683 [^]	16.96	12.94
10	Shri Chirag J. Shah	Chief Finance Officer	35,98,596	3.52	11.05
11	Shri Omkar Chandrakant Mhamunkar	Company Secretary & Compliance Officer	11,31,032	NA ^{***}	NA ^{***}

* 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 every Board or Committee meeting attended by each Director. Sitting fee payment is not applicable for attending Shareholder/Investor Grievance Committee Meeting as per terms of reference. During the year, Dr. (Mrs.) Janaki Ashwin Patwardhan was only paid sitting fees and hence her name is not mentioned in the above list.

@ Ceased to be Director w.e.f. September 17, 2020 on completion of their 2nd term of appointment on September 16, 2020.

Refers to the commission to the Non-Executive Directors for the FY 2020-21, paid during the year 2021-22.

** Includes Performance Linked Incentive for the financial year 2020-21 ₹ 28,55,000/-, paid during the year 2021-22.

[^] Shri Dilip Trimbak Gokhale ceased to be Sr. Executive Vice President & Company Secretary and Key Managerial Personnel (KMP) w.e.f. May 22, 2021 and consequently appointed as the Executive Director and Key Managerial Personnel w.e.f. May 22, 2021. The remuneration includes the remuneration drawn as Sr. Executive Vice President & Company Secretary till May 21, 2021. Since he has been a KMP throughout the year, separate remuneration for both positions is not provided.

^{***} Mr. Omkar Chandrakant Mhamunkar is appointed as the Company Secretary since May 22, 2021, hence the same is not applicable.

2. The median remuneration of employees of the Company during the year was ₹ 3,25,539/-.
3. The increase in the median remuneration of employees in the financial year – 0.58%
4. There were 385 permanent employees on the rolls of the Company as at March 31, 2022.
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 11.9%. Whereas average percentile increase in the managerial remuneration (excluding remuneration of Non-Executive Directors) is 14.47%. 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 2021-22 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 Subsidiaries

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

Sr. No.	Particulars	Name of Subsidiary
		Borax Morarji (Europe) GmbH
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	January 01, 2021 to December 31, 2021
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 = 89.00 INR
3	Share capital	16.77
4	Reserves & surplus	22.79
5	Total assets	63.02
6	Total Liabilities	23.46
7	Investments	-
8	Turnover	51.96
9	Profit before taxation	(1.08)
10	Provision for taxation	-
11	Profit after taxation	(1.08)
12	Proposed Dividend	-
13	% of shareholding	100%

Business Responsibility Report

We are pleased to present the first Business Responsibility Report of the Company for the financial year ended March 31, 2022 as under:

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company: L24110MH1919PLC000564

2. Name of the Company: The Dharamsi Morarji Chemical Company Limited

3. Registered address: 317/ 321, Dr. Dadabhoy Naoroji Road, Fort, Mumbai, Pin - 400 001

4. Website: www.dmcc.com

5. E-mail id: investor@dmcc.com

6. Financial Year Reported: April 01, 2021 to March 31, 2022

7. Sector(s) that the Company is engaged in (industrial activity code-wise):

Sector	Industrial Activity Code*			
	Group	Class	Sub-class	Description
Chemical	202	2029	-	Manufacture of other chemical products n.e.c.

*As per National Industrial Classification 2008 – Ministry of Statistics and Programme implementation

8. List three key products/services that the Company manufactures/provides (as in balance sheet):

- Sulphur Chemicals
- Boron Chemicals
- Benzene and Ethanol based Chemicals

9. Total number of locations where business activity is undertaken by the Company

(a) Number of International Locations: One (1) - Borax Morarji (Europe) GmbH. The Company is into a business of trading of Chemicals. The said Company is incorporated as per the mandate by the REACH Regulations.

(b) Number of National Locations: Three (3)

The Company has its factory located at:

- Roha: 105, MIDC Industrial Area, Audyogik Vasahat Post Office, Dhatav, Roha - 402116, Dist. Raigad, Maharashtra.
- Dahej: Plot No. CH-5/1 G.I.D.C, Dahej Industrial Estate, Taluka: Vagra, Dist. Bharuch, Gujarat.

Registered Office located at Mumbai at:

- 317/321, Prospect Chambers, Dr. D. N. Road, Fort, Mumbai – 400 001.

10. Markets served by the Company – The Company sells its products in India as well as exports to more than 25 countries across the globe.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR): ₹ 24,93,99,330/- (Equity Share Capital)

2. Total Turnover (INR): ₹ 32,629.80 Lakhs (Standalone) ₹ 32,630.02 Lakhs (Consolidated)

3. Total profit after taxes (INR): ₹ 2,136.34 Lakhs (Standalone) ₹ 2,134.01 Lakhs (Consolidated)

4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 3.42% on Standalone Basis and 3.43% on Consolidated Basis.

The Company's total spending on CSR for the year ended March 31, 2022, was ₹ 73.09 Lakhs.

5. List of activities in which expenditure in 4 above has been incurred: -

The Company's CSR policy provides room for broad based interventions in diverse sectors. During FY 2021-22, Company carried out CSR activities in following areas with main focus on education and healthcare.

- Protection of Flora and Fauna
- Social Welfare for Differently abled
- Healthcare
- Social / Women Empowerment
- Old Age Home
- Education
- Any other activity permitted for CSR.

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SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Yes. As on March 31, 2022, Borax Morarji (Europe) GmbH

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If

yes, then indicate the number of such subsidiary company(s)

The subsidiaries are separate entities and they follow BR initiatives if applicable to them.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? –

The Company does not mandate its suppliers/ distributors to participate in the Company's BR initiatives. However, they are encouraged to adopt such practices and follow the concept of being a responsible business.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

- 1 DIN Number : 09180182
- 2 Name : Dr. (Mrs.) Janaki Ashwin Patwardhan
- 3 Designation : Independent Director

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	06734397
2	Name	Shri Dilip Trimbak Gokhale
3	Designation	Executive Director
4	Telephone Number	022-2204881/2/3
5	e-mail id	dgokhale@dmcc.com

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

Sl. No.	Questions	Ethics	Product Life Cycle Sustainability	Employee Well-Being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Community Development	Customer Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y ¹	Y ²	Y ³	Y ⁴	Y ⁵	Y ⁶	Y ⁷	Y ⁸	Y ⁹
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y

The policies are broadly based on National Voluntary Guidelines issued by Ministry of Corporate Affairs. Most of the policies are aligned to various standards such as Responsible Care principles, Together for Sustainability System, ISO 9001 and meet regulatory requirements.

Sl. No.	Questions	Ethics	Product Life Cycle Sustainability	Employee Well-Being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Community Development	Customer Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	The mandatory Polices under the Indian laws and regulations have been adopted by the Board and signed by the Chairman or Managing Director & CEO. Other operational internal policies are approved by the management and signed by the Managing Director/ Executive Director/ Senior executives.									
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	The Company has an Audit Committee, CSR Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Risk Management Committee to oversee implementation of respective policies. Besides, the Functional Heads are responsible to oversee the implementation of respective policies.									
6	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Mandatory Policies viz. CSR Policy, Nomination and Remuneration, Insider Trading Policy, Related Party Transactions Policy, Dividend Distribution Policy and Code of Conduct are available at http://www.dmcc.com Other policies are available on request.									
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y ¹⁰	Y ¹⁰	Y ¹⁰	Y ¹⁰	Y ¹⁰	Y ¹⁰	Y ¹⁰	Y ¹⁰	Y ¹⁰
	Many policies are available on the website of the Company for the information of internal and external stakeholders.									
8	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	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.									

Notes

- 1 This aspect is covered under the Company's Code of Conduct and Fair Business Policy.
- 2 This aspect is covered under the Company's Responsible Care Policy
- 3 This aspect is covered under the Company's Safety and Health Policy
- 4 This aspect is covered under the Company's Responsible Care Policy and Community Relation Policy
- 5 This aspect is covered under the Company's Human Rights Policy
- 6 This aspect is covered under the Company's Environmental Policy
- 7 This aspect is covered under the Company's Policy Advocacy
- 8 This aspect is covered under the Company's Community Relation Policy and Corporate Social Responsibility (CSR) Policy
- 9 This aspect is covered under the Company's Quality Policy
- 10 To some extent.

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(b) If answer to the question at serial number 1 against any principle, is “No”, please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									Not Applicable
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year-

The Business Responsibility Reporting is applicable to the Company w.e.f. April 01, 2021. The Board of Directors of the Company will assess the BR performance of the Company annually.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Business Responsibility Reporting (BRR) is applicable to the Company w.e.f. April 01, 2021 i.e. for financial year 2021-22 and therefore the Company will be publishing BRR for FY 2021-22 forming integral part of its Annual Report. It will be available on the website of the Company at www.dmcc.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1– Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

This Principle is embodied in the Code of Conduct, Whistle Blower Policy and Fair Business Policy.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

Your Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and equity in all spheres of its operations and in all its dealings with its stakeholders. Your Company has adopted Code of Conduct, which is applicable to the Board of Directors and Senior Management Personnel of the Company. This Code requires all Directors and Senior Management of the Company to act honestly, ethically and with integrity. The Code also provides for avoiding any conflict of interest and to act in the best interest of the Company. All Directors and Senior Management Personnel affirm compliance with Code of Conduct annually.

Your Company also has in place Vigil Mechanism / Whistle Blower Policy which serves as a mechanism for the Directors and all employees of the Company to report any genuine concerns about unethical behavior, actual or suspected fraud or violation of code of conduct. Apart from Code of Conduct and Vigil Mechanism, your Company has also adopted Code of Practices and Procedures for fair disclosure of unpublished price sensitive information.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

No complaints, issues or concerns were received by the Company under Code of Conduct and Whistle Blower Policy and Fair Business Policy during FY 2021-22.

Principle 2–Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

The policy is part of your Company's Environment, Health and Safety (EHS) Policy and Responsible Care Policies.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- Sulphur Chemicals
- Boron Chemicals
- Benzene and Ethanol based Chemicals

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain

The Company is committed to environment sustainability. It constantly works towards reduction and optimum utilization of energy, water, raw material, logistics, etc., For more details please refer to **Annexure I** of Directors Report.

Specific consumptions of Raw material, Energy & Water consumption.¹¹

S. No.	Name of the Product	Name of the Major raw materials	Raw Material Consumption (eg. Ton / ton of product)	Sp. Water Consumption (m3 / ton of product)	Sp. Energy Consumption (Kwh/ ton of product)
1	2	3	4	5	6

Year 2021-22

¹¹Please refer **Annexure I** of Directors' Report.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not Applicable to our products.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The main raw materials such as Sulphur, benzene and ethanol are mainly procured through reputed manufacturers / producers keeping in mind the need for quality and consistency.

The Company participates in developing Product Safety and Stewardship and Product Distribution Code as a part of initiative taken by Indian Chemical Council under Responsible Care Programme. The Company is also a member of Nicer Globe to ensure safety of material while under transportation. The Company continues to pursue its system of procurement under sustainable sourcing. The Company endeavors to purchase energy efficient machinery/products.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company takes ancillary services including job work from the communities surrounding the place of work as also procures material from local and small vendors to the extent possible and viable.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Please refer to **Annexure II** of the Directors Report

Principle 3–Businesses should promote the wellbeing of all employees.

This Principle is embodied in various policies for the benefit of the employees which are issued by the Human Resources function of the Company from time to time.

1. Please indicate the Total number of employees as on 31.03.2022: 385 Permanent Employees

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis as on 31.03.2022: 294

3. Please indicate the Number of permanent women employees: 16

4. Please indicate the Number of permanent employees with disabilities: 1

5. Do you have an employee association that is recognized by management? Yes.

6. What percentage of your permanent employees is members of this recognized employee association? (as on 31.03.2022): 36.36%

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/forced Labour / involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

STATUTORY REPORT

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

- | | |
|--|--------|
| (a) Permanent Employees | - 100% |
| (b) Permanent Women Employees | - 100% |
| (c) Casual/Temporary/Contractual Employees | - 100% |
| (d) Employees with Disabilities | - 100% |

Health and safety is of paramount important to the Company. All employees of the Company including temporary employees and employees at plants are provided with safety training. Training is imparted in case of new safety device before putting it to use. Training is provided to workers for Chemical Handling, PPE Training, machine Handling and Waste Handling Training. Safety Boards are displayed and operative instructions are displayed and firefighting training is also imparted to selected employees of each shift. Safety meeting is conducted at every quarter and mock drills are also conducted at regular intervals.

Principle 4–Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Certain aspect of this principle forms part of the CSR Policy.

1. Has the company mapped its internal and external stakeholders?

Yes. The Company has mapped its internal and external stakeholders. It uses both formal and informal mechanism to engage with various stakeholders to understand their concern and expectations. Individual departments within the organization have roles and responsibility identified and defined to engage with various stakeholders.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders and are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Yes. Your Company recognizes the vital role played by society at large in its growth and development and strives to discharge its social responsibility as a corporate citizen. Our CSR projects focus on participatory and collaborative approach with the community. Over a period, your Company has identified disadvantaged, vulnerable & marginalized stakeholders in and around local area in which the company operates. In order to improve their standard of living, your Company has emphasized on CSR projects in the areas of Protection of Flora and Fauna, Social Welfare for Differently abled, Healthcare, Social Empowerment, Old Age Home, Education, Social Empowerment.

Principle 5- Businesses should respect and promote human rights.

This Principle is embodied in the Human Right Policy.

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?

The Company has the policy for Human Rights to take care of Human Rights of all stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During the year under review the Company has not received any complaints regarding violation of human rights.

Principle 6 - Business should respect, protect, and make efforts to restore the environment.

This Principle is embodied in the Environment Policy.

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint

Ventures/Suppliers/ Contractors/NGOs/others.

The Company strives to protect environment by adopting various eco-friendly measures. The Environment policy is made for implementation by the Company.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N.

Yes. The Company strives to make the processes and operations environment friendly.

If yes, please give hyperlink for webpage etc. The Company is yet to have a separate webpage yet on these strategies, however the Company publishes its environmental initiatives in its Annual Report. Further, as a part of initiatives under the Corporate Social Responsibility, the Company inter-alia contributes towards protection of Flora Fauna.

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. 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 component, third party mentoring, and a series of audits. The existing validity of the Company to use logo was from March, 2019 to February, 2022 and renewable thereafter. The Company is pleased to inform that based on Responsible Care Audit, the Company is authorized to use Responsible Care® Logo, for further period of Three Years i.e. from April, 2022 to March, 2025.

Together For Sustainability®: The TFS Audit was carried out under the stipulations made by a Group of EU based major Pharmaceutical companies.

3. Does the company identify and assess potential environmental risks? - The Company regularly identifies and assess potential environmental risks that is associated with it and strives to adopt the practices and process which will have minimal or no impact on the environment to be carbon neutral.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

The Company supplies about 100 MT steam per day to the neighboring Units, thereby helping them to reduce carbon emission.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.

The Company continues measures to reduce energy consumption at its plants and offices by improving energy intensive manufacturing process. Please refer to **Annexure I** of Directors' report.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The Emissions/Waste generated by the Company are within the permissible limits given by CPCB/SPCB for the financial year under report.

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year: Nil

Principle 7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is member of following chambers/associations:

- a) Indian Chemical Council;
- b) IMC Chamber of Commerce and Industry;
- c) Fertilizer Association of India
- d) CHEMEXCIL (Basic Chemicals, Cosmetics & Dyes Export Promotion Council)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, The Company supports the initiatives taken by above associations in their endeavor for the advancement or improvement of public good. The Company participates in advocating matters for advancement of Chemical sector, policies and economic reforms.

Principle 8 – Businesses should support inclusive growth and equitable development.

This Principle is embodied in the CSR Policy.

1. Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company has taken a holistic approach towards the development of the deprived groups of the society. The details of the CSR projects undertaken by the Company are described in '**Annexure – II**' of Directors' Report - Annual Report on CSR activities.

2. Are the programs/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

CSR programmes are implemented directly by the Company as well as through external agencies.

3. Have you done any impact assessment of your initiative?

The Company is not required to do Impact Assessment as per the CSR Provisions of the Companies Act, 2013, however, the Company gets regular updates from the agencies about the beneficiaries and impact on the society w.r.t. CSR.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

During the year, the Company has spent ₹ 73.09 Lakhs towards various CSR activities. The project wise details are provided in '**Annexure II**' of Board's Report - Annual Report on CSR activities.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Yes. Initiatives conducted under CSR are tracked to determine the outcomes achieved and the benefits to the community.

STATUTORY REPORT

Before undertaking any CSR project, needs of communities are assessed. Once CSR project is implemented, to the extent possible, visits are made and proofs are also obtained in the form of photographs to ensure that the activities are proactively welcomed and adopted by the communities.

Principle 9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

Customer Satisfaction is of utmost important for the Company and there are no customer complaints are pending.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information).

Yes. The Company displays all the requisite information on product labels as per the laws.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

There have been no cases relating to unfair trade practices, irresponsible advertising, and/or anti- competitive behavior against the Company during the last five years and pending as on end of the financial year 2021-22.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes, Customer Satisfaction Surveys are conducted by the Sales and Marketing Team by way of taking oral/written feedback for betterment of the products and to assess the consumer's requirements and consumer satisfaction levels.

Report on Corporate Governance 2021-22

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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. Customer Focus, Team Work, Leadership, Innovation, Respect for People, Integrity and Performance, guide the Company towards fulfilling the consistently high standard of Corporate Governance in all facets of the Company's operations. Accordingly, your Company has been practicing the broad principles of Corporate Governance over the years by placing strong emphasis on transparency, empowerment, accountability and integrity so as to continuously enhance values for stake holders - the shareholders, the customers, the employees and the creditors.

2. 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 disclosure.
- 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 Committee has been mandated to operate within a given framework.

3. 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, 2022, the Board of Directors of the Company comprises of eight Directors, out of which two are Non-Executive Non Independent Directors, four are Independent Directors and two 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 3(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 is circulated to the Directors well in advance to facilitate the Directors 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 (Meetings of Board and its Powers) Amendment Rules, 2020 dated March 19, 2020; the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2020 dated June 23, 2020; the Companies (Meetings of Board and its Powers) Third Amendment Rules, 2020 dated September 28, 2020 and the Companies (Meetings of Board and its Powers) Fourth Amendment Rules, 2020 dated December 30, 2020, all the meetings of the Board of Directors and Committees of the Board were held through Audio Visual Means pursuant to rule 3 of the Companies (Meetings of the Board and its Powers) Rules, 2014.

Further, the Ministry of Corporate Affairs (MCA) has, vide its Notification dated June 15, 2021, has issued the Companies (Meetings of Board and its Powers) Amendment Rules, 2021. The said amendment has omitted Rule 4 of Companies (Meetings of Board and its Powers) Rules, 2014. Accordingly, this deletes the provision related to restriction of conducting Board Meeting through Video Conferencing/Other Audio-Visual Means for selected agenda items like approval of the annual financial statements, Board's report etc.

The notice, agenda along with the relevant notes, documents and other material information 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. The Board reviews the performance of the Company.

STATUTORY REPORT

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 Regulations to the Board and the Board 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.

e) Board Support:

The Company Secretary attends the Board/Committee meetings and advises on Compliances with applicable laws and governance.

f) Number of Board meetings held during the year along with the dates of the Meetings:

Five meetings of the Board were held during the financial year ended March 31, 2022. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Regulations. The dates on which the said meetings were held are as follows:

May 21, 2021, August 10, 2021, September 23, 2021, November 01, 2021 and February 11, 2022.

Attendance of each Director at the Board Meetings held during the financial year ended March 31, 2022 and last Annual General Meeting held on September 22, 2021 and No. of other Directorships / Memberships of the Committee and other relevant details.

Sr. No.	Name of Directors	Category of Directorship (designation as on 31.03.2022)	No. of Board Meetings attended (out of 5 Meetings held)	Attendance at last AGM held on 22.09.2021	No. of other Directorships as on 31.03.2022#	No. of Board Committees of other companies in which Chairman, as on 31.03.2022	No. of Board Committees of other companies in which Member, as on 31.03.2022\$	Names of other Indian listed entities where the person is a director and the category of directorship as on 31.03.2022
1	Shri Laxmikumar Narottam Goculdas DIN 00459347	Chairman, Promoter, Non-Executive	5	Yes	Nil	Nil	Nil	Nil
2	Ms Mitika L. Goculdas DIN 02879174	Vice-Chairperson, Promoter, Non-Executive	5	Yes	Nil	Nil	Nil	Nil
3	Shri Madhu T. Ankleshwaria DIN 02753794	Non-Executive, Independent	5	Yes	1@	1	Nil	Nil
4	Shri Mukul Manoharlal Taly DIN 01334360	Non-Executive, Independent	4	Yes	Nil	Nil	Nil	Nil
5	Shri Sanjeev V. Joshi DIN 00392020	Non-Executive, Independent	5	Yes	Nil	Nil	Nil	Nil
6	Dr.(Mrs) Janaki Ashwin Patwardhan DIN 09180182	Non-Executive, Independent	3	Yes	Nil	Nil	Nil	Nil

7	Shri Bimal Lalitsingh Goculdas DIN 00422783	Executive Director, Promoter, Managing Director, and Chief Executive Officer	5	Yes	Nil	Nil	Nil	Nil
8	Shri Dilip Trimbak Gokhale DIN 06734397	Executive Director	4	Yes	Nil	Nil	Nil	Nil

@ Non-Executive Independent Director in Avik Pharmaceuticals Limited.

Number of Directorships held in other public companies excludes Directorship of The Dharamsi Morarji Chemical Company Limited, Directorships in private companies, foreign companies, companies under Section 8 of the Companies Act, 2013 and alternate Directorships.

\$ Only Membership / Chairmanship of Audit Committee and Stakeholders' Relationship Committee of listed and unlisted public limited companies excluding 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 hold 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), Ms. Mitika Laxmikumar Goculdas (Daughter of Shri Laxmikumar Narottam Goculdas) and Shri Bimal Lalitsingh Goculdas, the 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 or 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 has one to one discussion 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, regulatory updates having impact on the Company. business and the on-going events relating to the Company. The details of the familiarization programme of the Independent Directors are available on the website of the Company at www.dmcc.com

i) Matrix of skills/competence/expertise of Directors:

Pursuant to the Listing Regulations, the following matrix summarises 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 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

STATUTORY REPORT

The Company's Board comprises of qualified members, who possesses aforesaid knowledge, experience, technical skills, expertise and competencies for effective contribution to the Board and its committee. Details of the skills/expertise/competencies possessed by the Directors who were part of the Board as on March 31, 2022 are as follows:

Sr. No.	Name of Directors	Brief Description of Experience Technical Skills/ Expertise/Competencies
1	Shri Laxmikumar Narottam Goculdas	50+ years' experience in Industry. Extensive Leadership, Business Administration, wide knowledge of Trade, Commerce, Strategy, Corporate Restructuring, Corporate Affairs, Public Relation and International Trade.
2	Ms Mitika L. Goculdas	24+ years' experience in Industry. Extensive Leadership, Business Administration, wide knowledge of Trade, Commerce, Strategy, Corporate Restructuring, Corporate Affairs, Finance, Public Relation and International Trade.
3	Shri Bimal Lalitsingh Goculdas	30+ years' experience in Industry. Leadership and Business Administration, Wide Knowledge and experience in Industry, Trade, Commerce, Strategy, Corporate Affairs, Technical, Public Relation, Corporate Finance, and International Trade.
4	Shri Dilip Trimbak Gokhale	33+ years' experience of Secretarial, Legal, Corporate Governance, Finance, HR & Administration, Insurance, Public Relation and Internal Audit etc.
5	Shri Madhu T. Ankleshwaria	40+ years' experience in Finance and Accounting, Auditing, Internal Audit, Insurance, Foreign Trade, Taxation, Financial Management, Risk Management, Corporate Restructuring, Due Diligence, Corporate Governance, Strategy.
6	Shri Mukul Manoharlal Taly	38+ years' experience in Legal, Compliance and Governance, Taxation, Insurance, Foreign Trade, Risk Management, Strategy, Finance, International Business, Corporate Restructuring, Due Diligence.
7	Shri Sanjeev V. Joshi	35+ years' experience in Finance and Accounting, Auditing, Internal Audit, Taxation, Foreign Trade, Financial Management, Risk Management, Corporate Restructuring, Due Diligence, Corporate Governance, Strategy.
8	Dr. (Mrs.) Janaki Ashwin Patwardhan	22+ years' experience in Chemical and Pharmaceutical Industry. Expertise in Process Engineering, Health and Safety, Plant design and Techno Commercial Feasibility studies, ISO Audit, R&D.

j) Independent Directors:

During the year under review, All Independent Directors of the Company fulfil 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 declaration of independence pursuant to Section 149 (7) of the Companies Act, 2013 and Regulation 25(8) of the Listing Regulations. 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 fulfil 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 Companies Act, 2013 and the Listing Regulations has been issued and disclosed on the website of the Company at www.dmcc.com

None of the Independent Directors have resigned before the expiry of their respective tenures during the financial year 2021-22.

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 10, 2022 in which out of 4 Independent Directors, three independent directors Shri Sanjeev Vishwanath Joshi, Shri Madhu Thakorlal Ankleshwaria, Shri Mukul Manoharlal Taly attended the meeting.

Shri Mukul Manoharlal Taly Chaired the meeting and leave of absence was granted to Dr. (Mrs) Janaki Ashwin Patwardhan who could not participate in the meeting.

The Independent Directors at their meeting, inter alia to discussed the following:

- Evaluation of the performance on Non-Independent Directors and the Board as a whole;
- Evaluation of the performance of Chairperson and Vice Chairperson of the Company, taking into account the views of Non- Executive Directors; and

- c) Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

4. AUDIT COMMITTEE

a) Terms of Reference, Composition and Meetings:

The terms of reference of the Audit Committee covers 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 Audit Committee inter alia includes 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 listed entity;
- 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, 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;
- 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 shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- 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).

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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.

As on March, 2022, 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 21, 2021, August 10, 2021, November 01, 2021 and February 11, 2022.

The interval between 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.

Composition of the Audit Committee as on March 31, 2022 and changes in composition along with attendance of members at the Audit Committee Meetings held during the year under review is as under:

Name of Director	Category	Attendance
Shri Sanjeev V. Joshi (Chairman)	Non-Executive Independent	4/4
Shri M. T. 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.

5. 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 performance of independent directors and the board of directors;
- devising a policy on diversity of 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 Companies Act 2013, read with rules framed there under and the Regulations framed by Securities Exchange Board of India, including any amendment or modification thereof.

The Nomination and Remuneration Committee members held their meeting on May 21, 2021 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.

Composition of the committee as on March 31, 2022 and changes in composition along with 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	1/1
Shri Madhu T. Ankleshwaria	Non-Executive Independent	1/1
Shri Sanjeev V. Joshi	Non-Executive Independent	1/1
Ms. Mitika Laxmikumar Goculdas	Non-Executive Non-Independent Promoter Director	1/1

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 11, 2022 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.

6. 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 shareholders' and investors' complaints, if any, like delayed transfer of shares, non-receipt of annual reports, non-receipt of declared dividends etc.

Mr. Omkar Chandrakant Mhamunkar 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 Meetings was held on February 10, 2022

Composition of the committee as on March 31, 2022 and changes in composition along with 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 T. 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;

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- Review of measures taken for 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.

c) Details of Shareholders' Complaints Received, solved and pending Share Transfer:

During the year under review, there were four complains received from the shareholders and as on March 31, 2022 one complaint was 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, 2022.

7. 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.

b) Composition, Meeting and Attendance:

The CSR Committee members held their meeting on February 10, 2022 and all the members attended the meeting.

Composition of the committee as on March 31, 2022 and changes in composition along with attendance of members

at the Committee Meetings held during the year under review is as under:

Name of Director	Category	Attendance
Ms. Mitika	Non-Executive	1/1
Laxmikumar Goculdas (Chairperson)	Non-Independent Promoter Director	
Shri Madhu T. Ankleshwaria	Non-Executive Independent	1/1
Shri Mukul Manoharlal Taly	Non-Executive Independent	1/1
Shri Sanjeev Vishwanath Joshi	Non-Executive Independent	1/1

8. RISK MANAGEMENT COMMITTEE

a) Composition:

Pursuant to Regulation 21 of the Listing Regulations the Board at its meeting held on May 21, 2021 constituted the Risk Management Committee, which was further reconstituted by the Board on September 23, 2021.

The Committee met twice during the year i.e. on September 23, 2021 and February 10, 2022. The attendance of each Committee member is given below:

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 Sanjeev Vishwanath Joshi#	Non-Executive Independent	1/1
Shri Madhu T. Ankleshwaria#	Non-Executive Independent	1/1
Shri Mukul Manoharlal Taly	Non-Executive Independent	1/2
Dr.(Mrs.) Janaki Ashwin Patwardhan\$	Non-Executive Independent	0/1
Shri Chirag Jaswant Shah	Chief Finance Officer	2/2

* Appointed as Chairman w.e.f. September 23, 2021 (Earlier member of the Committee)

@Shri Dilip Trimbak Gokhale is appointed as "Whole Time Director" designated as an "Executive Director" of the Company w.e.f. May 22, 2021, from his current position as "Sr. Executive Vice President & Company Secretary.

#Ceased to be member on reconstitution of Risk Management Committee on September 23, 2021.

\$Inducted as member of the Committee w.e.f. September 23, 2021.

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 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. Review and undertake such other assignments/ activities as may be specified by the Board in compliance with applicable law from time to time.

9. REMUNERATION TO DIRECTORS

a) Remuneration to Non-Executive Directors

At present, all Non-Executive Directors of the Company are entitled for sitting fees of ₹ 25,000/- each for attending Board as well as committee Meetings and Independent Directors Meeting except for Shareholder / Investor Grievance Committee meeting.

They are also entitled to receive 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, 2022 are as under:

Sr. No.	Name of Directors	Sitting fees paid for attending meeting of (in ₹)						Commission (In ₹) *	Total (In ₹)	No. of Equity Shares held as of March 31, 2022
		Board	Audit Committee	Nomination and Remuneration Committee	CSR Committee	Independent Directors Committee	Risk Management Committee			
1	Shri Laxmikumar Narottam Goculdas	1,25,000	1,00,000	-	-	-	-	10,81,000	13,06,000	9018420
2	Ms Mitika Laxmikumar Goculdas	1,25,000	-	25,000	25,000	-	50,000	3,60,000	5,85,000	NIL
3	Shri Haridas T. Kapadia**							1,67,000	1,67,000**	NA**
4	Shri Madhu Ankleshwaria	1,25,000	1,00,000	25,000	25,000	25,000	25,000	3,60,000	6,85,000	225
5	Shri Arvind Ketkar **							1,67,000	1,67,000**	NA**
6	Shri Mukul Manoharlal Taly	1,00,000	-	25,000	25,000	25,000	25,000	3,60,000	5,60,000	NIL
7	Shri Sanjeev V. Joshi	1,25,000	1,00,000	25,000	25,000	25,000	25,000	3,60,000	6,85,000	4,435
8	Dr.(Mrs) Janaki Ashwin Patwardhan	75,000	-	-	-	-	-	-	75,000	NIL
	Total	6,75,000	3,00,000	1,00,000	1,00,000	75,000	1,25,000	28,55,000	42,30,000	90,23,080

* Commission relates to the financial year ended March 31, 2021, which was approved by the Board on May 21, 2021 and to be paid during the financial year 2021-22. Apart from commission, there are no variable components and performance linked incentives to the Non-Executive Directors.

** Ceased to be Directors w.e.f. September 17, 2020, on completion of 2nd term of appointment and accordingly. Further pro-rata commission relates to the financial year ended March 31, 2021, which was approved by the Board on May 21, 2021 and was paid during the financial year 2021-22.

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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 Managing Director and Chief Executive Officer during the financial year March 31, 2022 are as below: (excludes contribution to Gratuity Fund & Leave Encashment on retirement, since same is provided on actuarial basis for the Company as a whole).

(₹ In Lakhs)

Name and Designation	Salary **	Contribution to PF and Superannuation Fund	Perquisites	Total
Shri Bimal Lalitsingh Goculdas, Managing Director, and Chief Executive Officer	143.43	29.97	4.64	178.04

** Includes Performance Linked Incentive for the financial year 2021-22 ₹ 28.55 Lakhs paid during the year 2021-22.

The term of contract of Shri Bimal Lalitsingh Goculdas, Managing Director, and Chief Executive Officer of the Company, is from April 01, 2018 to March 31, 2023. No severance fees or stock option are available to him.

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

Subject to the approval of the Board and of the Company in General Meeting and such other approvals as may be necessary, the Chief Executive Officer is paid remuneration as per the Agreements entered into between him and the Company. 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 Executive Director during the financial year March 31, 2022 are as below:

(₹ In Lakhs)

Name and Designation	Salary	Perquisites	Total
Shri Dilip Trimbak Gokhale, Executive Director	36.41	0.95	37.36

The term of contract of Shri Dilip Trimbak Gokhale, Executive Director of the Company, is from May 22, 2021 to May 23, 2024. No severance fees or stock option are available to him.

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. The remuneration structure of the Executive Director comprises of Salary and other perquisites as applicable.

10. GENERAL BODY MEETINGS

a) Annual General Meetings

The details of last three Annual General Meetings (AGM) of the Company are given below:

No. of AGM	Date and Time	Venue
100 th AGM for the FY 2020-21	September 22, 2021	Held through Other Audio Visual Means (OAVM) in accordance with the General Circular issued by the MCA on May 05, 2020
99 th AGM for the FY 2019-20	September 14, 2020	Held through Other Audio Visual Means (OAVM) in accordance with the General Circular issued by the MCA on May 05, 2020
98 th AGM for the FY 2018-19	September 20, 2019	Indian Merchants' Chambers, Walchand Hirachand Conference Hall, Churchgate, Mumbai 400 020.

b) Special resolutions passed at the last three Annual General Meetings (AGM) of the Company:

- 1) At the 100th 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 Cr.
 - 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 Cr.
- 2) At the 99th AGM for FY 2019-20 held on September 14, 2020: NIL
- 3) At the 98th AGM for FY 2018-19 held on September 20, 2019:
 - i. Special Resolution for (Item 6) the continuation of directorship of Shri Haridas Tricumdas Kapadia (DIN: 00125090) as an Independent Director of the Company to hold office for another term of 1 (One) year with effect from September 17, 2019 up to September 16, 2020.
 - ii. Special Resolution for (Item 7) the continuation of directorship of Shri Madhu Thakorlal Ankleshwaria (DIN:02753794) as an Independent Director of the Company to hold office for another term of 5 (five) consecutive years with effect from September 17, 2019 up to September 16, 2024.
 - iii. Special Resolution for (Item 8) the continuation of directorship of Shri Arvind Wasudeo Ketkar (DIN: 02863429) as an Independent Director of the Company to hold office for another term of 1 (One) year with effect from September 17, 2019 up to September 16, 2020.

c) Postal Ballot:

- i. **Details of special resolutions passed by postal ballot:** During the year under review, no special resolution was passed by means of Postal Ballot.
- ii. **Details of Voting Pattern:** Not Applicable
- iii. **Person who conducted the aforesaid postal ballot exercise:** Not Applicable
- iv. **Whether any special resolution is proposed to be conducted through postal ballot:** Currently, there is no proposal to pass any Special resolution through Postal Ballot. Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.
- v. **Procedure for Postal Ballot:** Not Applicable

d) Means of Communication

- **Quarterly, Half yearly and Annual Results:** Quarterly, half yearly and Annual Financial Results of the Company are forwarded to the Stock Exchange, viz. BSE Limited, National Stock Exchange of India Limited and published in "Free Press Journal" (English Language) and "Navshakti" (Marathi Language) newspapers.
- **Website:** Company has its own web site 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. The 'Investor' section serves to inform the investors by providing key and timely information like financial results, annual reports, shareholding pattern, press release, presentations made to analysts, etc.
- **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

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Annual Report. The Annual Report is also available in downloadable form on the website of the Company at www.dmcc.com

- **Investor Presentations:** The Investor Presentations are uploaded on the website of the stock exchange and the Company.
- **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.
- **Designated Exclusive Email ID:** The Company has designated Email Id investor@dmcc.com exclusively for shareholder / investor grievances redressal.

11. DISCLOSURES

- 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
- 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 BSE Limited, Mumbai (on which the Company's equity shares are listed), SEBI or any other statutory authority.
- The Company has complied with all the mandatory requirements of SEBI Listing Regulations.
- Material Subsidiary:** During the year under review, the Company does not have 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
- 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 42 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

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.

f) 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 victimisation of Directors/employees and direct access to Chairman of Audit Committee, in exceptional cases. The Vigil Mechanism / Whistle Blower Policy is available on the website of the Company under the web-link 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.

12. CEO/CFO CERTIFICATION

The Chief Executive Officer and the Chief Finance Officer of the Company have furnished a certificate to the Board of Directors of the Company with respect to accuracy of financial statements for the financial year ended March 31, 2022 and adequacy of internal controls as required in terms of Regulation 17(8) of the Listing Regulations, for the financial year 2021-22 was placed before the Board at its meeting held on May 24, 2022.

13. 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.

14. RECOMMENDATION OF THE COMMITTEE:

During FY 2021-22 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.

15. DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF REGULATION 27(1) OF THE LISTING REGULATIONS.

The Company is in compliance with all the mandatory provisions related to Corporate Governance pursuant to the requirement of the Listing Regulations read with other applicable provisions, if any.

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) Audit Qualifications:** During the period under review, there is no audit qualifications in the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

15(iii) Total fees for all services paid by The Dharamsi Morarji Chemical Company Limited and its subsidiary, on a consolidated basis, to 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, 2022, is as follows:

Particulars	Amount (in Rupees)
Audit Fees paid for the year 2021-22 - Rahul Gautam Divan & Associates, Chartered Accountants	9,00,000
Fees for Corporate Governance Certification	90,000
Fees for Limited Reviews	3,00,000

(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 of the requirement. Shri Laxmikumar Narottam Goculdas is Non-Executive Promoter Chairman and Shri Bimal Lalitsingh Goculdas is Managing Director, and CEO of the Company as per the SEBI (LODR) (Amendment) Regulations, 2018.

(e) Reporting of internal Auditor: The Company is having an Independent Internal Auditor (separate from the employees) viz. M/s Mahajan & Aibara, Chartered Accountants, 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 were circulated to the members of the Audit Committee for their perusal.

15(i) 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.

15(ii) 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.

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 attached to the Report on Corporate Governance.

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Fees for Certification of Consolidation	10,000
Other Services	50,000
Out of Pocket expenses for the year	38,500
Total payment made during the year 2021-2022	13,88,500

15(iv) 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.

15(v) 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 on end of the financial year	Nil

15(vi) Disclosure by 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.

16. GENERAL SHAREHOLDER INFORMATION

a. Details of Annual General Meeting: Wednesday, September 14, 2022 at 11.30 a.m. (IST)

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 2021-22 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. For the Members who are unable to receive the dividend directly in their bank accounts, the Company shall dispatch the dividend warrant to them, on resumption of normal activities.

d. Book Closure Date: From Thursday, September 08, 2022 to Wednesday, September 14, 2022 (both days inclusive)

e. E-Voting Dates: The cut-off date for the purpose of determining the shareholders eligible for e-Voting is Wednesday, September 07, 2022. The e-Voting commences on Sunday, September 11, 2022 at 9.00 a.m. (IST) and ends on Tuesday, September 13, 2022 at 5.00 p.m. (IST).

f. Name and address of Stock Exchange and Stock Code:

BSE Limited (BSE)

Phiroze Jeejeebhoy
Towers, Dalal Street,
Mumbai - 400 001

Scrip Code : 506405

The National Stock Exchange of India Limited (NSE)

Exchange Plaza, Bandra Kurla
Complex, Bandra (East),
Mumbai 400 051

NSE Symbol : DHARAMSI

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 2021-22.

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	BSE Share Price (in ₹)		BSE Indices (In ₹)		NSE Share Price (in ₹)#		NSE Indices (In ₹)#	
	High	Low	High	Low	High	Low	High	Low
April, 2021	356.00	277.00	50,375.77	47,204.50	-	-	-	-
May, 2021	364.40	302.50	52,013.22	48,028.07	-	-	-	-
June, 2021	362.00	305.90	53,126.73	51,450.58	-	-	-	-
July, 2021	398.70	328.20	53,290.81	51,802.73	-	-	-	-
August, 2021	385.95	276.05	57,625.26	52,804.08	-	-	-	-
September, 2021	356.45	303.60	60,412.32	57,263.90	-	-	-	-
October, 2021	421.00	313.30	62,245.43	58,551.14	-	-	-	-
November, 2021	361.55	296.10	61,036.56	56,382.93	-	-	-	-
December, 2021	348.00	295.50	59,203.37	55,132.68	349.90	294.55	17,639.50	16,410.20
January, 2022	397.80	309.60	61,475.15	56,409.63	399.00	313.65	18,350.95	16,836.80
February, 2022	415.00	324.50	59,618.51	54,383.20	413.75	329.85	17,794.60	16,203.25
March, 2022	401.95	310.00	58,890.92	52,260.82	402.70	310.00	17,559.80	15,671.45

Nominal Value of each Equity Share is ₹ 10/-.

The Company has listed its Equity shares on NSE w.e.f. December 01, 2021 and therefore share price and NSE Indices prior to December 01, 2021 not applicable.

k. Registrar & Share Transfer Agents

Link Intime India Pvt. Ltd.
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
Website: www.linkintime.co.in

l. Share Transfer System

W.e.f. April 01, 2019, as per SEBI press release dated March 27, 2019 the transfer of shares is 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 place report on the Share Transmission, Issue of Duplicate Shares etc. before the Stakeholders Relationship Committee and to the Board of Directors from time to time.

Pursuant to Regulation 40(9) of the Listing Regulations, every year, a Company Secretary in practice undertakes audit of the share transfer related activities and the compliance certificate issued upon audit is submitted to BSE and NSE.

STATUTORY REPORT

m. Shareholding Pattern and Distribution of Shares:

Category of Shareholder	As on March 31, 2022	
	No. of Shares held	% of Shareholding
A. Promoter & Promoter Group	13428614	53.84
B. Public Shareholding		
Institution		
Mutual Funds	2204	0.01
Foreign Portfolio Investor	6622	0.03
Financial Institutions / Banks	304981	1.22
Insurance Companies	200	0.00
UTI	2705	0.01
Non Institutions		
Individuals	9401808	37.70
NBFCs registered with RBI	200	0.00
Body Corp-Ltd Liability Partnership	198654	0.79
Trust	301	0.00
Foreign Nationals	83	0.00
HUF	1049423	4.21
NRI	298277	1.20
Clearing Members (in the depository)	6433	0.03
Bodies Corporate	225928	0.91
Foreign Portfolio Investor (Category III)	13500	0.05
Total	24939933	100.00

Note: The total Foreign Shareholding including Non Resident Indian as on March 31, 2022 was 9499203 shares, which in, percentage terms were 39.26% of the issued and subscribed capital, out of which 9472565 shares aggregating 37.98% of the capital represent Promoters' Holding and hence are included in Promoters' category.

n. Distribution of Shareholding as on March 31, 2022.

No. of Shares held	No. of Folios	Percentage	Total Shares	Percentage
Up to 500	19904	90.64699	1785183	7.1579
501 to 1000	935	4.2583	725424	2.9087
1001 to 2000	502	2.2863	746737	2.9941
2001 to 3000	205	0.9336	531313	2.1304
3001 to 4000	97	0.4418	345180	1.3840
4001 to 5000	76	0.3461	354370	1.4209
5001 to 10000	105	0.4782	758166	3.0400
10001 and above	133	0.6057	19693560	78.9640
Total	21957	100.0000	24939933	100.0000

o. Dematerialisation of Shares and liquidity

As on March 31, 2022, out of 2,49,39,933 Equity Shares of the Company, 2,37,75,359 Equity Shares representing 95.33% Equity Shares are held in dematerialized form and 4.67 % is held in Physical form. The Company's shares are actively traded on the Stock Exchange i.e. BSE Limited 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. Commodity price risk or foreign exchange risk and hedging activities: The details are provided in notes to the standalone financial statements in the Annual Report.

r. Other Affirmations: During the year securities of the Company were not suspended from trading.

s. 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, 2022, CRISIL Rating Limited (Credit Rating Agency) has:

i) Upgraded the Credit Rating for the bank facilities of the Company as under:

Facilities	Amount	Rating
Total Bank Loan Facilities Rated	₹ 105.00 Crore (Enhanced from ₹ 70 crore)	Long Term Rating: CRISIL BBB+/Stable (Upgraded from CRISIL BBB/Stable)

ii) Assigned the Credit Rating for the Fixed Deposit Programme as under:

Facilities	Amount	Rating
Fixed Deposit Programme	₹ 10.00 Crore	FA-/Stable (Assigned)

t. 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

u. The address of the correspondence:

The Company Secretary

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: investor@dmcc.com

Website : www.dmcc.com

STATUTORY REPORT

Annexure I

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

Pursuant to the provisions of 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 The Dharamsi Morarji Chemical Company Limited have affirmed compliance with the Code of Conduct for the year ended March 31,2022.

For The **Dharamsi Morarji Chemical Company Limited**

Place: Mumbai

Dated: May 24, 2022

Bimal Lalitsingh Goculdas

Managing Director & CEO

DIN: 00422783

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,
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 **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, 2022:

- 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)
- Dr. (Mrs.) Janaki Ashwin Patwardhan (DIN: - 09180182)

For **SKJ & Associates**
Company Secretaries

Satish Kumar Jain
Proprietor
(FCS :6398/PCS:6632)
UDIN: F0063980000302529

Place: Mumbai
Date: May 11, 2022

Auditor's Report on Corporate Governance

To the Members of The Dharamsi Morarji Chemical Company Limited

1. The Corporate Governance Report prepared by 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, 2022.

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.
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.

AUDITOR'S 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.
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:

- 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, 2022, and verified that at least one women director was on the Board during the year;
- iv) Obtained and read the minutes of the following meetings held from April 01, 2021 to March 31, 2022:
 - (a) Board of Directors meeting;
 - (b) Audit committee;
 - (c) Annual General meeting;
 - (d) Nomination and Remuneration committee;
 - (e) Independent Directors Committee;
 - (f) Stakeholder/ Investor and Grievance committee
 - (g) Corporate social responsibility committee
- 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

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, 2022, 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 number: 120294W
Chartered Accountants

Place: Mumbai
Date: May 24, 2022

Rahul Divan
Partner
Membership No.: 100733
UDIN: 22100733AJMBBE1930

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Independent Auditor's Report

TO THE MEMBERS OF

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 The Dharamsi Morarji Chemical Company Limited ("the Company"), which comprise the Balance sheet as at 31st March, 2022, 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 31st March, 2022, 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 'Auditor's 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 31st March, 2022. 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 Auditor's 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.

FINANCIAL STATEMENTS

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1.	<p>Litigations and claims</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>We have Considered Litigation and claims as Key Audit Matter as it requires significant management judgement, including accounting estimation uncertainty.</p>	<p>Principal Audit Procedures:</p> <ul style="list-style-type: none"> 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. Discussing selected matters with the entity’s management. 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. <p>Conclusion:</p> <p>Based on the procedures described above, we did not identify any material exceptions to the management’s assertions and treatment, presentation & disclosure on the subject matter in the standalone Ind AS financial statements.</p>
2.	<p>Revenue Recognition</p> <p>(as described in note 2.11 of the standalone Ind AS financial statements)</p> <p>For the year ended 31st March, 2022 the Company has recognized revenue from contracts with customers amounting to ₹ 32,420.16 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>Principal Audit Procedures:</p> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Assessed the Company’s revenue recognition policy prepared as per Ind AS 115 ‘Revenue from contracts with customers’. Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition, discounts and rebates. 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. 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.

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.

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.

- 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.
 - Performed monthly analytical procedures of revenue by streams to identify any unusual trends.
 - 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.
-

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 2021-22, 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 are 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.

AUDITOR'S 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

FINANCIAL STATEMENTS

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 31st March, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 31st March, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022, 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 Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 33 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.
- (iv) The dividend declared and paid during the year by the Company is as per the provisions of Section 123 of the Companies Act, 2013.

For **Rahul Gautam Divan & Associates**
ICAI Firm registration number: 120294W
Chartered Accountants

Rahul Divan
Partner
Membership No.: 100733
UDIN: 22100733AJMAYQ8470
Place: Mumbai
Date: 24th May, 2022

FINANCIAL STATEMENTS

Annexure 'A' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: 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 ₹ 8.13 crores 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
Total		1,554.6		

- (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).
- (ix) Based on our audit procedures and according to the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks, financial institutions or debenture holders. The Company did not have any outstanding loans or borrowings from government.
- (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) To the best of our knowledge, and according to the information and explanations to us, no material fraud on or by the Company has been noticed or reported 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: 22100733AJMAYQ8470
Place: Mumbai
Date: 24th May, 2022

Annexure 'B' to Independent Auditor's 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 The Dharamsi Morarji Chemical Company Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control 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 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 31st March, 2022, 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: 22100733AJMAYQ8470
Place: Mumbai
Date: 24th May, 2022

FINANCIAL STATEMENTS

Standalone Balance Sheet

(₹ In Lakhs)

Particulars	Notes	As at 31 st March, 2022	As at 31 st March, 2021
ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	15,839.62	9,285.07
Capital work-in-progress	3	6,282.47	3,804.66
Goodwill	3	1,465.10	1,465.10
Other Intangible Assets	3	41.21	14.32
Right of Use Assets	35	35.79	47.72
Other non-current assets	4	293.20	184.99
Deferred Tax Assets (Net)	5	1,704.65	2,381.92
Other non current Financial Assets			
- Non current Investments	6	55.85	55.85
Total Non Current Assets		25,717.89	17,239.64
Current Assets			
Inventories	7	4,199.01	3,732.26
Financial Assets			
- Current Investments	8	-	4.14
- Trade receivables	9	4,975.69	3,185.01
- Cash and cash equivalents	10	192.75	356.09
- Bank balances other than cash & cash equivalents	11	70.77	104.60
- Others Current financial assets	12	68.91	122.22
- Current Tax Assets (Net)	13	(10.86)	(114.09)
Other current assets	14	3,110.22	1,658.78
Total Current Assets		12,606.49	9,049.00
Total Assets		38,324.38	26,288.64
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	15	2,493.99	2,493.99
Other Equity	16	16,839.53	14,794.29
Total Equity		19,333.52	17,288.28
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
- Long Term Borrowings	17	5,550.42	1,914.95
- Long Term Lease Liabilities	35	34.63	43.90
- Long Term Provisions	18	183.72	187.51
Other non-current liabilities	19	57.00	38.51
Total Non Current Liabilities		5,825.77	2,184.87
Current liabilities			
Financial Liabilities			
- Short Term Borrowings	20	2,244.71	790.25
- Short Term Lease Liabilities	35	3.93	3.93
- Trade payables	21		
- Due to Micro & Small Enterprises		98.08	19.33
- Due to Other than Micro & Small Enterprises		6,902.37	2,837.42
- Other financial liabilities	22	3,479.62	2,834.12
Other current liabilities	23	422.51	291.65
Provisions	24	13.87	38.80
Total Current Liabilities		13,165.09	6,815.50
Total Liabilities		18,990.86	9,000.37
Total Equity and liabilities		38,324.38	26,288.64

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**
Chartered Accountants
Firm Registration No.: 120294W

For and on behalf of the Board of Directors

Partner
Membership No. 100733
Place: Mumbai
Date: 24th May, 2022

L.N. Goculdas
Chairman
DIN: 00459347

D. T. Gokhale
Executive Director
DIN: 06734397

B.L. Goculdas
Managing Director & CEO
DIN: 00422783

C. J. Shah
Chief Financial Officer

S. V. Joshi
Independent Director
DIN: 00392020

O. C. Mhamunkar
Company Secretary

Standalone Statement of Profit and Loss

for the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	Notes	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Income			
Revenue from Operations	25	32,629.80	20,009.99
Other Income	26	598.03	774.41
Total Income		33,227.83	20,784.40
Expenses			
Cost of Raw Materials Consumed	27	20,192.68	9,548.59
Purchase of Stock-in-Trade	28	-	-
Changes in Inventories of Finished Goods and Work in Progress	29	(505.66)	(201.31)
Employee Benefits Expenses	30	1,962.69	1,651.26
Finance costs	31	389.37	239.99
Depreciation and amortization expense	3	803.86	681.78
Other Expenses	32	6,967.92	5,462.07
Total Expense		29,810.87	17,382.37
Profit before tax		3,416.96	3,402.02
Tax Expense			
Current Tax (PY under MAT)		890.00	600.00
Deferred Tax		390.62	(454.05)
		1,280.62	145.95
Profit for the year		2,136.34	3,256.08
Other Comprehensive Income			
(a) (i) Items that will not be reclassified to profit or loss		34.77	(20.16)
(ii) Income tax relating to items that will not be reclassified to Profit & Loss		-	-
(b) (i) Items that will be reclassified to Profit and Loss		-	(36.96)
(ii) income Tax relating to Items that will be reclassified to Profit and Loss		(1.15)	7.95
Total Other Comprehensive Income		33.61	(49.18)
Total Comprehensive Income for year		2,169.95	3,206.90
Earnings per equity share (FV ₹ 10/- per share) :			
Basic & Diluted (in ₹)- Refer Note No. 33		8.57	13.06

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**
Chartered Accountants
Firm Registration No.: 120294W

For and on behalf of the Board of Directors

Partner
Membership No. 100733
Place: Mumbai
Date: 24th May, 2022

L.N. Goculdas
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C. J. Shah
Chief Financial Officer

S. V. Joshi
Independent Director
DIN: 00392020

O. C. Mhamunkar
Company Secretary

Standalone Cash Flow Statement

(₹ In Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax	3,416.96	3,402.02
Add:		
1 Depreciation and amortisation	803.86	681.78
2 Interest charged	389.37	239.99
3 Unrealised Foreign Exchange Loss / (Gain)	66.40	50.38
4 (Gain)/Loss on sale of PPE / Investments	0.00	0.00
5 Other OCI impact (Net)	33.61	(49.18)
	1,293.24	922.97
Less:		
1 Interest Income	25.40	30.90
2 Dividend Income	1.72	3.53
3 Increase in Value of Current Investment	0.00	0.00
	27.12	34.43
Operating Profit before change in working capital	4,683.08	4,290.56
Working capital changes:		
Add / (Less):		
1 (Increase) / Decrease in inventories	(466.75)	(964.06)
2 (Increase) / Decrease in trade receivables	(1,857.07)	(761.63)
3 (Increase) / Decrease in Other Financial Assets	53.31	(50.25)
4 (Increase) / Decrease in Other non current Assets	(108.21)	(5.90)
5 (Increase) / Decrease in Other Current Assets	(1,451.44)	(277.55)
6 (Increase) / Decrease in Deferred Tax Assets	677.27	0.00
7 Increase / (Decrease) in trade payables	4,143.70	1,187.88
8 Increase / (Decrease) in other long term liabilities	18.49	0.68
9 Increase / (Decrease) in other financial liabilities	645.50	300.81
10 Increase / (Decrease) in other current liabilities	130.86	(82.93)
11 Increase / (Decrease) in Current Provisions	(24.93)	(8.10)
12 Increase / (Decrease) in Non-Current Provisions	(3.79)	(62.97)
	1,756.94	(724.02)
Cash generated from operations	6,440.02	3,566.54
Add / (Less):		
Direct taxes paid (Net of refunds)	(1,383.86)	(343.60)
Net Cash inflow from Operating Activities (A)	5,056.16	3,222.94
B CASH FLOW FROM INVESTING ACTIVITIES:		
Add:		
1 Proceeds from sale of Property, Plant & Equipment	0.00	494.09
2 Interest received	25.40	30.90
3 Dividend received	1.72	3.53
	27.12	528.52
Less:		
1 Purchase of Property, Plant & Equipment / increase in Capital WIP	(9,860.45)	(4,720.79)
2 (Purchase) / Sale of Current Investment	4.14	236.84
	(9,856.31)	(4,483.95)
Net Cash inflow from Investing Activities (B)	(9,829.19)	(3,955.43)
C CASH FLOW FROM FINANCIAL ACTIVITIES:		
Add:		
1 Receipt from issue of Equity Shares inclusive of share premium	0.00	0.00
2 Proceeds from borrowings (Non Current)	1,454.46	743.68
3 Proceeds from borrowings Net of repayment (Current)	3,635.47	0.00
4 Increase in Restricted Bank Balances other than cash & cash equivalents	33.83	(4.15)
	5,123.76	739.53
Less:		
1 Repayment of borrowings (Non-current)	0.00	181.19
2 Repayment of borrowings net of proceeds (Current)	0.00	0.00
3 Interest and other finance costs	(389.37)	(239.99)
4 Payment of Equity Dividend	(124.70)	(380.58)
	(514.07)	(439.38)
Net Cash inflow from Financing Activities (C)	4,609.69	300.15
I. Net (decrease)/increase in cash and cash equivalents	(163.34)	(432.34)
II. Add: Cash and cash equivalents at the beginning of the period	356.09	788.41
III. Cash and cash equivalents at the end of the period	192.75	356.09

As per our report of even date
For **Rahul Gautam Divan & Associates**
Chartered Accountants
Firm Registration No.: 120294W

For and on behalf of the Board of Directors

Partner
Membership No. 100733
Place: Mumbai
Date: 24th May, 2022

L.N. Goculdas
Chairman
DIN: 00459347

D. T. Gokhale
Executive Director
DIN: 06734397

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Managing Director & CEO
DIN: 00422783

C. J. Shah
Chief Financial Officer

S. V. Joshi
Independent Director
DIN: 00392020

O. C. Mhamunkar
Company Secretary

Standalone Statement of Changes in Equity

for the year ended 31st March, 2022

A. EQUITY SHARE CAPITAL

Particulars	No. of Shares	₹ in Lakhs
Balance as at 31 st March, 2021	2,49,39,933	2,493.99
Changes in equity share capital during FY 2021-22	-	-
Balance as at 31 st March, 2022	2,49,39,933	2,493.99

B. OTHER EQUITY

Particulars	Reserves and Surplus					Total (₹ in Lakhs)
	Securities Premium Reserve	Capital Redemption Reserve	Other Reserves	Retained Earnings	Other items of Other Comprehensive Income	
Balance at 31 st March, 2021	1,714.81	-	66.59	12,950.13	62.75	14,794.27
Transfer to Capital Redemption Reserve	-	280.00	-	(280.00)	-	-
Profit for the year	-	-	-	2,136.34	-	2,136.34
Other Comprehensive Income	-	-	-	-	33.61	33.61
Total Comprehensive Income (Net of Tax)	1,714.81	280.00	66.59	14,806.47	96.36	16,964.23
Equity Dividend Paid (Including Dividend Distribution Tax)	-	-	-	(124.70)	-	(124.70)
Balance at 31 st March, 2022	1,714.81	280.00	66.59	14,681.77	96.36	16,839.53

Particulars	Reserves and Surplus					Total (₹ in Lakhs)
	Securities Premium Reserve	Capital Redemption Reserve	Other Reserves	Retained Earnings	Other items of Other Comprehensive Income	
Balance at 31 st March, 2020	1,714.81	-	66.59	10,074.63	111.92	11,967.95
Profit for the year	-	-	-	3,256.08	-	3,256.08
Other Comprehensive Income	-	-	-	-	(49.18)	(49.18)
Total Comprehensive Income (Net of Tax)	1,714.81	-	66.59	13,330.71	62.75	15,174.86
Equity Dividend Paid (Including Dividend Distribution Tax)	-	-	-	(380.58)	-	(380.58)
Balance at 31 st March, 2021	1,714.81	-	66.59	12,950.13	62.75	14,794.28

Significant accounting policies and notes to Financial Statements (Note 2)

As per our report of even date
For **Rahul Gautam Divan & Associates**
Chartered Accountants
Firm Registration No.: 120294W

For and on behalf of the Board of Directors

Partner
Membership No. 100733
Place: Mumbai
Date: 24th May, 2022

L.N. Goculdas
Chairman
DIN: 00459347
D. T. Gokhale
Executive Director
DIN: 06734397

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Managing Director & CEO
DIN: 00422783
C. J. Shah
Chief Financial Officer

S. V. Joshi
Independent Director
DIN: 00392020
O. C. Mhamunkar
Company Secretary

Notes to the Standalone Financial Statements

as at 31st March, 2022

1 CORPORATE INFORMATION

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) & National Stock Exchange Limited (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 - 42

The financial statements are authorised for issue in accordance with a resolution of the Board of Directors on 24th May, 2022

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) Tangible assets:

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. 01.04.2016. 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 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.

2.7 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.

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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 the sale of goods is recognised when (a) It is probable that the economic benefits associated with the transaction will flow to the entity and the amount of revenue can be measured reliably. (b) The significant risks and rewards of ownership of the goods have been passed to the buyer; and (c) The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and returns.

Goods sold on consignment are recorded as inventory until goods are sold by the consignee to the end customer.

Export sales are recognised based on the shipped on board date as per bill of lading when significant risk and rewards of ownership are transferred to the 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.

The Company has applied Ind AS 115 using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under erstwhile Ind AS 18 and Ind AS 11. The new Standard is applied to contracts that were remaining in force as at 1st April, 2018. The application of the standard does not have any significant impact on the retained earnings as at 1st April, 2018 or on these financial statements. The details of accounting policies under erstwhile Ind AS 18 and Ind AS 11 are disclosed separately if they are different from those under Ind AS 115.

The Company has applied Ind AS 116 - Leases using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under erstwhile Ind AS 17. The application of the standard does not have any significant impact on the retained earnings as at 1st April, 2020 or on these financial statements. The details of accounting policies under erstwhile Ind AS 17 are disclosed separately if they are different from those under Ind AS 116.

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 judgement 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.

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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

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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: • In the principal market for the asset or liability, or • In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. 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 Dividend on Preference Shares

Dividend paid ₹ 7.00 Lakhs for the year ended 31st March, 2022 (Previous year ₹ 7.00 Lakhs) are accounted for under finance charges.

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. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below: -

- **Indian Accounting Standard (Ind AS) 109 - Financial Instruments** - The amendments specify for modification in accounting treatment of certain costs incurred on derecognition of financial liabilities.
- **Indian Accounting Standard (Ind AS) 16 - Property, Plant and Equipment** - The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sale proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.
- **Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent Liabilities and Contingent Assets** - The amendments specify that the cost of fulfilling a contract comprises the 'cost that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect to have any significant impact in its financial statements.

NOTE 3. 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
Gross carrying amount										
Deemed cost as at 1st April, 2021	286.29	1,852.73	2,054.80	7,817.72	86.47	166.22	63.11	94.27	12,421.61	-
Additions	-	-	269.31	7,114.87	14.22	14.79	11.53	16.07	7,440.78	-
Disposals	(3.70)	-	-	(41.98)	-	(11.35)	-	-	(57.04)	-
As at 31st March, 2022	282.59	1,852.73	2,324.10	14,890.61	100.69	169.66	74.63	110.34	19,805.35	-
Accumulated Depreciation										
As at 1st April, 2021	-	147.34	359.29	2,421.90	35.62	73.14	38.28	60.97	3,136.53	-
Depreciation charge for the year	-	20.82	61.31	6,471.9	8.68	17.87	7.37	14.78	778.02	-
Disposals	-	-	-	(3.05)	-	(8.15)	-	-	(11.20)	-
As at 31st March, 2022	-	168.16	420.60	3,066.04	44.30	82.86	45.64	75.75	3,903.35	-
Net book value										
As at 1st April, 2021	286.29	1,705.39	1,695.50	5,395.83	50.85	93.09	24.83	33.30	9,285.07	3,801.06
As at 31st March, 2022	282.59	1,684.57	1,903.50	11,824.57	56.39	86.80	28.99	34.59	15,902.00	6,282.47

ii) Intangible Assets

(₹ In Lakhs)

Particulars	Software	Goodwill	Total	Intangible Assets under Development
Gross carrying amount				
Deemed cost as at 1 st April, 2021	73.40	1,465.10	1,538.50	-
Additions	40.62	-	40.62	-
Disposals	-	-	-	-
As at 31st March, 2022	114.03	1,465.10	1,579.13	-
Accumulated Depreciation				
As at 1 st April, 2021	58.82	-	58.82	-
Depreciation charge for the year	14.00	-	14.00	-
Disposals	-	-	-	-
As at 31st March, 2022	72.82	-	72.82	-
Net book value				
As at 1 st April, 2021	14.58	1,465.10	1,479.68	3.59
As at 31st March, 2022	41.21	1,465.10	1,506.31	-

NOTE 4. OTHER NON CURRENT ASSETS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Unsecured, Considered Good		
Security deposits	293.20	212.99
Less: Provision for doubtful security deposit	-	(28.00)
Total	293.20	184.99

NOTE 5. DEFERRED TAX ASSETS (NET)

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Deferred Tax Assets	2,453.10	2,589.82
Deferred Tax Liabilities	(748.46)	(207.90)
Total	1,704.65	2,381.92

(₹ In Lakhs)

Particulars	Opening Balance	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax liability on account of:				
Property, plant and Equipment	207.90	540.56	-	748.46
Total Deferred Tax Liabilities	207.90	540.56	-	748.46
Deferred tax asset on account of:				
Provision for Leave encashment	-	19.85	-	19.85
Provision for Gratuity	-	44.47	-	44.47
MAT Credit entitlement	2,589.82	(201.04)	-	2,388.78
Total Deferred Tax Assets	2,589.82	(136.72)	-	2,453.10
Net Deferred Tax	2,381.92	(677.28)	-	1,704.65

FINANCIAL STATEMENTS

NOTE 6. NON CURRENT INVESTMENTS

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	No of shares	₹ In Lakhs	No of shares	₹ In Lakhs
Investments in Equity Instruments				
Unquoted equity instruments				
Investment in Wholly Owned Subsidiaries fully paid up (at Cost)				
Fully Paid Equity shares of € 50 each of Borax Morarji (Europe) GmBH, Germany	500	16.77	500	16.77
Others				
Fully Paid Equity Shares of ₹ 10/- each in Janakalyan Sahakari Bank Ltd.	3,69,250	36.92	3,69,250	36.92
Fully Paid Equity Shares of ₹ 10/- each in Saraswat Co-operative Bank Ltd.	1,000	0.10	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	3,000	1.50
Fully Paid Equity Shares of ₹ 10/- each in Indian Potash Ltd.	66,000	0.55	33,000	0.55
Aggregate amount of unquoted Investments		55.85		55.85

NOTE 7. INVENTORIES (BASIS OF VALUATION - REFER NOTE 2.8) (AS TAKEN, VALUED AND CERTIFIED BY THE MANAGEMENT)

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Raw Materials	1,108.10	1,575.03
Raw Material in Transit	241.69	-
Packing Materials	118.49	106.50
Work-in-Process	313.23	438.24
Finished Goods	1,431.82	801.06
Traded Goods	-	-
Stores and Spares	985.68	811.43
Total	4,199.01	3,732.26

Note

Inventories of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat amounting to ₹ 4199.01 Lakhs (Previous Year - ₹ 3732.26 Lakhs) are offered as security by way 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. CURRENT INVESTMENTS

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	No of Units	₹ In Lakhs	No of Units	₹ In Lakhs
Investment in Mutual Funds **				
Unit Trust of India	-	-	14,080	4.14
Total		0.00		4.14

** Investments in all mutual funds are stated at NAV at the year end and as workout at FVTOCI.

NOTE 9. TRADE RECEIVABLES

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Trade receivables outstanding for a period less than six Months		
Considered Good - Secured	-	-
Considered Good - Unsecured		
- Receivable from Related Parties	6.35	41.86
- Others	4,969.34	3,143.15
Considered Doubtful	-	-
	4,975.69	3,185.01
Less:		
Provision for doubtful debts	-	-
Total	4,975.69	3,185.01

Receivables of ₹ 4975.69 Lakhs (Previous Year ₹ 3185.01 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 31st March, 2022 and 31st March, 2021.

(₹ In Lakhs)

Particulars	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at 31st March, 2022						
Undisputed Trade Receivable - Considered Good	4,938.28	1.70	17.59	4.58	13.54	4,975.69
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	-	-	-	-	-	-
Total	4,938.28	1.70	17.59	4.58	13.54	4,975.69
Less: Expected Credit Loss (ECL)	-	-	-	-	-	-
Total Trade Receivable	4,938.28	1.70	17.59	4.58	13.54	4,975.69
As at 31st March, 2021						
Undisputed Trade Receivable - Considered Good	3,107.76	30.56	12.19	10.26	24.24	3,185.01
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	-	-	-	-	-	-
Total	3,107.76	30.56	12.19	10.26	24.24	3,185.01
Less: Expected Credit Loss (ECL)	-	-	-	-	-	-
Total Trade Receivable	3,107.76	30.56	12.19	10.26	24.24	3,185.01

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NOTE 10. CASH AND CASH EQUIVALENTS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Bank Balances in Current Accounts	190.97	353.98
Cash on hand	1.78	2.11
Total	192.75	356.09

NOTE 11. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Unpaid Dividend Account	41.23	57.04
Margin Money Deposit Account	29.54	47.57
Total	70.77	104.61

Margin money deposit has been given to various Banks for issuance of Bank Guarantee's.

NOTE 12. OTHER CURRENT FINANCIAL ASSETS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Fixed Deposit with banks more than 12 months	68.91	122.22
Total	68.91	122.22

NOTE 13. CURRENT TAX ASSETS (NET)

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Income tax (Net of Provision for Taxation)	(10.86)	(114.09)
Total	(10.86)	(114.09)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March, 2022

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Accounting Profit before Income tax	3,416.96	3,402.02
At India's statutory income tax rate of 29.12% for FY 2021-22 & 29.12% for FY 2020-21	995.02	990.67
Adjustments in respect of current income tax w.r.t. MAT tax rate and Normal tax rate	(105.02)	(390.67)
Current tax	890.00	600.00
At the effective income tax rate	26.05%	17.64%

The Company now falls under the Normal Tax and hence the provisions of MAT u/s 115 JB are not applicable for the year ended 31st March, 2022

NOTE 14. OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balances with Government Authorities	1,958.10	787.08
Pre-paid Expense	166.70	146.03
Others advances	10.70	13.02
Others*	974.72	712.65
Total	3,110.22	1,658.77

*Others include ₹ 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 and registered in due course.

*Others include ₹ 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. 33)

NOTE 15. EQUITY SHARE CAPITAL

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	No. of Shares	₹ In Lakhs	No. of Shares	₹ In Lakhs
Authorized Share Capital				
Equity Shares of ₹ 10/- each	4,00,00,000	4,000.00	4,00,00,000	4,000.00
	4,00,00,000	4,000.00	4,00,00,000	4,000.00
Shares issued, subscribed and fully Paid up				
Equity Shares of ₹ 10 each	2,49,39,933	2,493.99	2,49,39,933	2,493.99
	2,49,39,933	2,493.99	2,49,39,933	2,493.99

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	No. of Shares	₹ In Lakhs	No. of Shares	₹ In Lakhs
Equity Shares :				
Equity Shares at the beginning of the year	2,49,39,933	2,493.99	2,49,39,933	2,493.99
Add: Shares Issued during the year	-	-	-	-
Add: Shares Issued during the year pursuant to the scheme of amalgamation	-	-	-	-
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

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Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

Promoters Shareholding Promoters Name	As at 31 st March, 2022			As at 31 st March, 2021		
	No of Shares	% of Total Shares	% change during the year	No of Shares	% of Total Shares	% change during the year
Shri Laxmikumar Narottam Goculdas	90,18,420	36.16%	0.63%	88,61,044	35.53%	0.00%

NOTE 16. OTHER EQUITY

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
i. Security Premium Reserves	1,714.81	1,714.81
ii. Capital Redemption Reserve	280.00	-
iii. Other Reserves	66.59	66.59
iv. Retained Earnings	14,681.77	12,950.13
v. Other Comprehensive Income	96.35	62.75
Total	16,839.53	14,794.27

i. Security Premium Reserves

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance at the beginning of the year	1,714.81	1,714.81
Add: Premium on shares issued during the year	-	-
Balance at the end of the year	1,714.81	1,714.81

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 Company Act 2013.

ii. Capital Redemption Reserve

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance at the beginning of the year	-	-
Add: Transfer during the year	280.00	-
Balance at the end of the year	280.00	-

iii. Other Reserve

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance at the beginning of the year	66.59	66.59
Add: Transfer during the year	-	-
Balance at the end of the year	66.59	66.59

Other reserve represents Capital subsidy received from various state Government.

iv. Retained Earnings

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance at the beginning of the year	12,950.13	10,074.63
Less: Transfer to Capital Redemption Reserve	(280.00)	-
Add: Profit for the year	2,136.34	3,256.08
Less: Equity Dividend Paid (Including DDT of prev year)	(124.70)	(380.58)
Balance at the end of the year	14,681.77	12,950.13

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 31 st March, 2022	As at 31 st March, 2021
Balance at the beginning of the year	62.75	111.92
OCI for the year	33.61	(49.18)
Balance at the end of the year	96.35	62.75

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 17. LONG TERM BORROWINGS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Term Loan		
From Bank		
(a) Secured		
(i) Car Loan from Financial Institutions	-	5.72
(ii) Project Loan from Bank	4,737.42	1,401.70
(iii) Mortgage Loan from Bank	-	222.48
	4,737.42	1,629.90
From Other Parties (Unsecured)		
(b) Unsecured		
Deferred Liabilities-Interest Free Sales Tax Loan from MEDA **	-	5.05
Fixed Deposits	-	-
	-	5.05
2,80,000 Redeemable Preference Shares of ₹ 100/-each ***	-	280.00
Fixed Deposits	813.00	-
Total Long Term Borrowings	5,550.42	1,914.95
Long Term Lease Liabilities	34.63	43.90

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(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% to 0%. Secured against hypothecation of Vehicles.

Out of total outstanding Car loan as on 31st March, 2022 of ₹ 6.22 Lakhs (Previous Year: ₹ 16.77 lakhs), amount due in next twelve months is ₹ 6.22 lakhs (Previous Year: ₹ 11.05 Lakhs), which is shown as 'Current maturities of Long Term Debts' under 'Other Financial Liabilities' (See Note No. 22 (1) (i)). The balance Car Loan of ₹ 0 Lakhs (Previous Year: ₹ 5.72 Lakhs) is shown above as Car loan from Bank / Non-Banking Financial Institution.

(a) (ii) Project Loan from bank

Sanctioned Term Loan - ₹ 580.00 Lakhs. Current Outstanding as on 31st March, 2022 is ₹ 139.66 Lakhs. Repayable in 57 EMI's commencing from 27.07.2018. Rate of interest is 10.25%. 45 EMI's have been paid in time, up to 31st March, 2022 and 12 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

Sanctioned Term Loan - ₹ 700.00 Lakhs. Current Outstanding as on 31st March, 2022 is ₹ 605.99 Lakhs. Repayable in 60 EMI's commencing from Jun-2021. Rate of interest is 10.25%. 10 EMI's have been paid in time, up to 31st March, 2022 and 50 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

Sanctioned Term Loan - ₹ 1500.00 Lakhs. Current Outstanding as on 31st March, 2022 is ₹ 975.00 Lakhs. Repayable in 60 EMI's commencing from 15.07.2020. Rate of interest is 10.25%. 39 EMI's are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Dahej.

Sanctioned Term Loan - ₹ 1875.00 Lakhs. Current Outstanding as on 31st March, 2022 is ₹ 1764.23 Lakhs. Repayable in 60 EMI's commencing from 30.04.2022. Rate of interest is 9.85%. 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 Dahej.

Sanctioned Term Loan - ₹ 600.00 Lakhs. Current Outstanding as on 31st March, 2022 is ₹ 370.00 Lakhs. Repayable in 60

EMI's commencing from 30.04.2022. Rate of interest is 9.85%. 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 Dahej.

Sanctioned Term Loan - ₹ 2625.00 Lakhs. Current Outstanding as on 31st March, 2022 is ₹ 2113.64 Lakhs. Repayable in 60 EMI's commencing from 31.05.2022. Rate of interest is 9.85%. 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 31st March, 2022 of ₹ 5,968.52 Lakhs (PY: ₹ 1,852.32 Lakhs), amount due in next twelve months is ₹ 1,231.10 Lakhs (PY: ₹ 450.62 Lakhs), which is shown as 'Current maturities of Long Term Debts' under 'Other Financial Liabilities' (See Note No. 22 (1)(ii)). The balance Term Loan of ₹ 4,737.42 Lakhs (PY: ₹ 1,401.70 Lakhs) is shown as Project Loan.

(a) (iii) Mortgage Term Loan from Bank:

Sanctioned Term Loan - ₹ 1100.00 Lakhs. Current Outstanding as on 31st March, 2022 is ₹ 265.24 Lakhs. Repayable in 57 EMI's commencing from 27.07.2018. Rate of interest is 10.25%. 45 EMI's have been paid in time, up to 31st March, 2022 and 12 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

Out of total outstanding mortgage loan as on 31st March, 2022 of ₹ 265.24 Lakhs (PY: ₹ 504.57 Lakhs), amount due in next twelve months is ₹ 265.24 Lakhs (PY: ₹ 282.09 Lakhs), which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities' (See Note No. 22 (1)(iii)) The balance Term Loan of ₹ 0.00 Lakhs (PY: ₹ 222.48 Lakhs) is shown as Mortgage Term Loan from Bank as above.

**Interest free Sales Tax Loan from MEDA

Interest free Sales Tax Loan from MEDA is repayable in 30 equal installment starting from May, 2010 and ending May, 2023

Out of total outstanding Interest free Sales Tax Loan as on 31st March, 2022 of ₹ 3.62 Lakhs (PY: ₹ 16.30 Lakhs), amount due in next twelve months is ₹ 3.62 Lakhs (PY: ₹ 11.25 Lakhs), which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities' (See Note No. 22 (1)(iv)) The balance Term Loan of ₹ 0.00 Lakhs (PY: ₹ 5.05 Lakhs) is shown as Interest free Sales Tax Loan as above.

***Non-Convertible Preference Shares

The Company has redeemed its entire outstanding of ₹ 280.00 Lakhs of 2,80,000, 2.5% Cumulative redeemable non-convertible Preference Shares of ₹ 100/- each on 7th March, 2022 including the Dividend payable upto date of redemption and accordingly a Capital Redemption Reserve of sum equivalent to the nominal amount of the Preference Shares redeemed i.e. ₹ 280.00 Lakhs has been created out of Retained Earnings.

NOTE 18. LONG TERM PROVISIONS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Provision for Employee Benefits		
Provision for Gratuity	122.01	113.44
Provision for Leave benefit	61.71	74.08
Total	183.72	187.53

NOTE 19. OTHER NON-CURRENT LIABILITIES

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(i) Security Deposits from distributors and others	26.51	26.51
(ii) Security Deposits received against Royalty	30.49	12.00
Total	57.00	38.51

NOTE 20. SHORT TERM BORROWINGS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
From Banks		
Secured	2244.71	790.25
Cash Credit from Bank	-	-
	2,244.71	790.25
	2,244.71	790.25
Short Term Lease Liabilities	3.93	3.93

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 21. TRADE PAYABLES

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(i) Outstanding due to Micro and Small Enterprise (Refer Note 20.2)	98.08	19.33
(ii) Trade Payable other than Micro and Small Enterprise	4,070.32	2,217.52
(iii) Bills Payable	2,832.05	619.89
Total	7,000.45	2,856.73

21.1 Payment towards trade is made as per the terms and condition of the contract/purchase order. Average Credit period is 30-90 days.

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21.2 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 31st March, 2022 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: -

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(i) Principal amount due and remaining unpaid	98.08	19.33
(ii) Interest due on above and the unpaid interest	1.14	1.45
(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	1.14	1.45
(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 31st March, 2022 and 31st March, 2021.

(₹ In Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at 31st March, 2022					
MSME	98.08	-	-	-	98.08
Others	4,059.41	10.91	-	-	4,070.32
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
As at 31st March, 2021					
MSME	19.33	-	-	-	19.33
Others	2,181.80	35.72	-	-	2,217.52
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-

NOTE 22. OTHER FINANCIAL LIABILITIES

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
1 Current maturities of long-term debt		
(i) Current maturities of Long Term Debts (Car Loan)	6.22	11.05
(ii) Current maturities of Long Term Debts (Project Loan)	1,231.10	450.62
(iii) Current maturities of Mortgage Loan	265.24	282.09
(iv) Current maturities of Interest free Sales Tax Loan from MEDA	3.62	11.25
	1,506.18	755.00
2 Unpaid Dividend (Amount Transferable to Investor Education & Protection Fund when due)	41.05	56.86
3 Unpaid Matured Fixed Deposits (Unclaimed)	0.21	0.51
	1,547.44	812.38

4	Others Payable		
	Trade Deposit	78.53	92.51
	Advance received from customers	46.25	98.25
	Advance received against sale of Asset	-	-
	Others	1,807.40	1,830.97
		1,932.18	2,021.73
	Total	3,479.62	2,834.11

* During the year Company has repaid the Current maturities of Working Capital Term Loan and Property Loan.

NOTE 23. OTHER CURRENT LIABILITIES

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Statutory dues payable	168.68	48.04
Due to Employees	253.83	243.61
Total	422.51	291.65

NOTE 24. PROVISIONS (CURRENT)

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Provision for Employee Benefits		
Provision for Gratuity	7.42	31.85
Provision for Leave benefits	6.45	6.94
Total	13.87	38.79

NOTE 25. REVENUE FROM OPERATIONS

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Revenue from Contracts with Customers		
Sale of Chemical Products	32,420.16	19,634.33
Other Operating Revenues		
- Royalty	67.55	93.08
- Export Incentives	109.72	256.53
- Wind Mills	32.37	26.05
	209.64	375.66
	32,629.80	20,009.99
Revenue from Contracts with Customers		
1) Disaggregated revenue information		
Set out below is the disaggregation of the Company's revenue from contract with Customers:		
Segment		
Commodity Chemicals	32,420.16	19,634.33
Traded sales	-	-
	32,420.16	19,634.33

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Geographical		
India	23,619.82	13,333.98
Outside India	8,800.34	6,300.35
	32,420.16	19,634.33
Timing of Revenue Recognition		
Goods transferred at a point in time	32,420.16	19,634.33
2. Contract Balances		
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers		
Trade Receivables	4,975.69	3,185.01
Contract Liabilities		
Advances from Customers	46.25	98.25
3. Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price	33,206.85	20,198.73
Adjustments		
Significant financing component		
Sales return	132.19	154.50
Rebate	-	-
Discount	654.49	409.90
Revenue from contract with customers	32,420.16	19,634.33
4. The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at 31st March, 2022:		
Advances from customers	46.25	98.25

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 26. OTHER INCOME

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Interest Income	25.40	30.90
Dividend Income	1.72	3.53
Other non-operating income	466.73	635.89
Sundry Credit Balances Written Back	104.18	104.09
Total	598.03	774.41

NOTE 27. COST OF MATERIAL CONSUMED

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Consumption of Raw Materials	19,956.79	9,203.09
Consumption of packing materials	235.89	345.50
Total	20,192.68	9,548.59

NOTE 28. PURCHASE OF STOCK IN TRADE

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Purchased of Goods Traded	-	-
Total	-	-

NOTE 29. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROCESS AND TRADE GOODS (AS CERTIFIED BY THE MANAGEMENT)

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Inventory at the beginning of the year		
Work in Process	438.24	143.03
Finished Goods	801.06	894.96
Traded Goods	-	-
	1,239.30	1,037.99
Inventory at the end of the year		
Work in Process	313.23	438.24
Finished Goods	1,431.72	801.06
Traded Goods	-	-
	1,744.95	1,239.30
Total	(505.66)	(201.31)

NOTE 30. EMPLOYEE BENEFITS EXPENSE

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Salaries and Wages (Net after Repairs)(*)	1,628.64	1,383.67
Contribution to Provident Fund	103.02	86.37
Contribution to Other Funds (Gratuity, Superannuation, etc)	69.25	45.37
Staff Welfare Expenses	161.77	135.84
	1,962.69	1,651.26
(*) Salaries & Wages allocated to Repairs etc.	68.05	61.40

NOTE 31. FINANCE COST

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Finance Cost		
Interest Paid to Banks	196.98	213.35
Interest paid to Others	185.39	19.64
Dividend on Preference Shares	7.00	7.00
Total	389.37	239.99

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NOTE 32. OTHER EXPENSES

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Power, Fuel and Water	1,537.96	1,398.80
Repairs to buildings	80.52	17.62
Repairs to machinery	1,241.17	1,325.92
Insurance	131.37	102.11
Rates and taxes	79.94	66.39
Commission to Non Whole Time Directors	28.55	28.07
Internal handling, Freight and carriage outward	1,798.05	930.90
Net loss/(gain) on foreign currency transactions	66.40	50.38
Auditors' Remuneration		
Audit fees	9.00	9.00
For other services	4.50	4.00
Reimbursement of out of pocket expenses	0.39	0.37
	13.89	13.37
Sundry Balances Written Back	24.10	(2.68)
Written Down Value Assets Scrapped/Loss on Sale of Fixed Assets/ Investments	-	-
Expenditure on Corporate Social Responsibility initiatives	73.09	61.39
Miscellaneous expenses *	1,892.89	1,469.81
Total	6,967.92	5,462.07

*None of the item individually accounts for more than ₹ 10,00,000/- or 1% of revenue whichever is higher.

NOTE 33. CONTINGENT LIABILITIES

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
A Contingent Liabilities		
(i) Outstanding claims in respect of Excise Duty, etc.	1,554.60	1,554.60
(ii) Guarantees issued by banks	33.34	17.19
(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 01.03.2002 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 2nd January, 2019 (against the Order dated 07.02.2018 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 1.3.2006 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 2nd January, 2019 (against the Order dated 07.02.2018 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 34. COMMITMENTS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Estimated Amount of Contracts remaining to be executed on Capital Account & not provided for (Net of Advances)	459.96	4,233.99

NOTE 35. 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)

Particulars	Leasehold Office
As at 31-3-2021	47.72
Additions	-
Depreciation Expenses	11.93
Termination	-
As at 31-3-2022	35.79

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

(₹ In Lakhs)

Particulars	Leasehold Office
As at 31-3-2021	47.83
Additions	-
Accretion of Interest	3.93
Payments	13.20
Termination	-
As at 31-3-2022	38.56

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The following are the amounts recognised in profit or loss

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Depreciation expense of right-of-use assets	11.93	0.99
Interest expense on lease liabilities	3.93	-
Expense relating to short-term leases and low value leases (included in other expenses)	27.86	30.98
Total amount recognised in profit or loss	43.72	31.97

The Company had total cash outflows for leases of ₹ 43.72 Lakhs in 31st March, 2022 (₹ 31.87 Lakhs in 31st March, 2021). There are no noncash additions to right-of-use assets and lease liabilities.

NOTE 36. There is only one reportable segment i.e chemicals business of the Company.

NOTE 37. 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 ₹ 73.09 Lakhs (Previous year ₹ 61.39 Lakhs) towards several CSR activities.

Corporate Social Responsibility expenditure is as follows:

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Amount required to be spent by the company during the year	72.00	59.34
Amount of expenditure incurred	73.09	61.39
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	-	-
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 sanitation, women empowerment, social empowerment, hostel and boarding for poor childrens and differently abled childrens, old age home.
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 38. 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 31 st March, 2022	For the Year ended 31 st March, 2021
Profit attributable to Equity share holder of the Company (₹ In Lakhs)	2,136.34	3,256.08
Weighted Average Number of Equity Shares	2,49,39,933	2,49,39,933
Earning per Equity Shares (Basic & Diluted) (₹)	8.57	13.06

NOTE 39. 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 excepted 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.

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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

Promoters Shareholding	As at 31 st March, 2022			As at 31 st March, 2021		
	Currency		₹ in Lakhs	Currency		₹ in Lakhs
Trade Receivables	USD	14,14,401	1,072.26	USD	12,07,417	887.45
	EURO	6,45,793	546.73	EURO	4,06,459	349.96
			1,618.99			1,237.41
Hedged Position	USD	-	0.00	-	-	0.00
			1,618.99			1,237.41
Trade Payable	USD	3,17,800	(240.92)	USD	5,86,992	(436.73)
Net Exposure to Currency Risk			1,378.06			800.68

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EUR against all other currencies at 31st 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.

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 31 st March, 2022		As at 31 st March, 2021	
	Profit or Loss		Profit or Loss	
	Strengthening	Weakening	Strengthening	Weakening
USD 1% Movement	8.31	(8.31)	5.47	(5.47)
EURO 1% Movement	5.47	(5.47)	1.44	(1.44)

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 31 st March, 2022	As at 31 st March, 2021
Fixed rate borrowings	8,484.69	3,443.90
Interest Swap	404.90	772.27
Net Exposure after Swap	8,079.79	2,671.63

Promoters Shareholding	As at 31 st March, 2022			As at 31 st March, 2021		
	Weighted average interest rate (%)	Balance	% of total loans	Weighted average interest rate (%)	Balance	% of total loans
Term Loans	7.54%	6,233.76	73.47%	10.25%	2,356.88	68.44%
Loans repayable on demand *	5.72%	2,250.93	26.53%	7.50%	1,087.02	31.56%
Net exposure to cash flow interest rate risk		8,484.69			3,443.90	

*Loans repayable on demand include Car Loan and PCFC loan

(iii) 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 Company's Capital Management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's Capital Management is to maximise the share holder value.

The Company manages its capital structure and make adjustment in light of changes in economic conditions and requirements co venants.

NOTE 40. OTHER ADDITIONAL INFORMATION :

(i) VALUE OF RAW MATERIALS AND BOUGHTOUTS, STORES, SPARES AND COMPONENTS CONSUMED

Raw Materials and Boughtouts:	Year ended 31 st March, 2022		Year ended 31 st March, 2021	
	₹ in Lakhs	%	₹ in Lakhs	%
Imported	1,495.49	7.41	1,988.17	20.82
Indigenous	18,697.19	92.59	7,560.42	79.18
Total	20,192.68	100.00	9,548.59	100.00

(₹ In Lakhs)

Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Stores, Spares and Components:		
Indigenous	764.41	990.52
(ii) VALUE OF IMPORTS CALCULATED ON CIF BASIS :		
Raw Materials & Boughtouts	1,484.23	1,567.82
(iii) EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF :		
Foreign tours, Subscription, depot & exhibition expenses etc.	100.65	306.13
(iv) EARNINGS IN FOREIGN CURRENCY IN RESPECT OF :		
Export of goods calculated on FOB basis	8,186.10	6,103.54

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NOTE 41. SEGMENT REPORTING :-

a) Primary Business Segment :

The Company is engaged in manufacture of Chemicals. As the Company is engaged only in one business segment.

b) Secondary Geographical Segment

(₹ In Lakhs)

Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Sales Turnover :-		
i) In India	23,619.82	13,340.12
ii) Outside India	8,800.34	6,294.21
Total	32,420.16	19,634.33

NOTE 42. RELATED PARTIES DISCLOSURES :

Names of related parties	Nature of Relationship
(i) Shri L.N.Goculdas	Promoter and Chairman (holding more than 20% of the voting power of the Company)
(ii) Borax Morarji (Europe) GmbH	Wholly Owned Subsidiary
(iii) The Natural Gas Co.Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(iv) L.P.Gas Equipment Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(v) L.P.Gas Transport & Bottling Co. Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(vi) Phoenix Distributors Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(vii) Jasraj Trading Co.	Enterprises under the Control of Promoter and Key Managerial persons
(viii) Kosan Industries Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(ix) Bombay Foods Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(x) Falcon Chemicals LLC, Dubai	Enterprises under the Control of Promoter and Key Managerial persons
(xi) Ms. Mitika L. Goculdas	Daughter of Promoter and Chairman
(xii) Shri B.L.Goculdas	Key Management Person - Managing Director and Chief Executive Officer
(xiii) Shri D.T.Gokhale	Key Management Person - Executive Director
(xiv) Shri Chirag Shah	Key Management Person - Chief Finance Officer
(xv) Shri Omkar Mhamunkar	Key Management Person - Company Secretary

(₹ In Lakhs)

Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
A Transaction with Promoters holding more than 20% of the voting power		
Sitting Fees for attending Board and Committee meetings -Shri L. N. Goculdas	2.25	2.25
Commission paid to Promoter- Shri. L.N.Goculdas	10.81	9.35
B Sitting Fees for attending Board & Committee Meetings to Ms. Mitika L. Goculdas	2.25	1.75
Commission paid to Promoter- Ms. Mitika L. Goculdas	3.60	3.12

C	Transactions with Related Parties		
(i)	Sale of Goods/Services Rendered by the Company		
	Falcon Chemicals LLC, Dubai	-	1.61
	Borax Morarji (Europe) GMBH	14.80	160.47
(ii)	Closing balance of Falcon Chemical LLC, Dubai included in Current Assets of the Company	-	-
	Closing balance of Borax Morarji (Europe) GMBH included in Current Assets of the Company	6.35	41.86
D	Transactions relating to Key Management Personnel		
(i)	Remuneration		
	Shri B.L.Goculdas	143.43	118.88
	Shri D.T.Gokhale	41.19	35.44
	Shri Chirag Shah	35.66	34.44
	Shri Omkar Mhamunkar	13.13	-
		220.29	188.76
(ii)	Perquisites and Other Benefits		
	Shri B.L.Goculdas	34.61	25.95
	Shri D.T.Gokhale	0.95	0.91
	Shri Chirag Shah	0.32	0.32
	Shri Omkar Mhamunkar	0.50	-
		35.87	27.18
Total		256.16	215.94

Related party relationships are as identified by the Company and relied upon by the Auditors.

NOTE 43. 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 31.03.2022, the required data is as follows:

(₹ In Lakhs)

I	Continuing Employees :	Apr 21/ Mar 22	Apr 21/ Mar 22	Apr 20/ Mar 21	Apr 20/ Mar 21
A	Expense recognised in the statement of Profit & Loss Account for period ended 31 st March, 2022	GRATUITY	LEAVE ENCASHMENT	GRATUITY	LEAVE ENCASHMENT
	1. Current Service Cost	18.34	6.21	16.94	6.45
	2. Interest Cost	15.56	2.40	13.63	2.04
	3. Past Service Cost (vested benefits)	-	-	-	-
	3. Expected Return on plan assets	-	-	-	-
	4. Actuarial (Gain) / Losses	33.84	-	(21.85)	15.01
	5. Total Expenses	67.74	8.61	8.72	23.50
B	Net Assets/(Liability) recognised in the Balance Sheet as at 31/03/2022				
	1. Present value of Defined Benefit Obligation as at 31 st March, 2022	239.94	36.32	220.36	34.86
	2. Fair Value of plan assets as at 31 st March, 2022	14.61	-	14.61	-
	3. Funded Status [(Surplus)/(Defecit)]	(225.33)	(36.32)	(205.75)	(34.86)
	4. Net asset / (Liability) as at 31 st March, 2022	(225.33)	(36.32)	(205.75)	(34.86)

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C	Change in Obligation during the period ended 31 st March, 2022				
	1. Present value of Defined Benefit Obligation at the beginning of the year	222.14	34.86	236.43	32.48
	2. Current Service Cost	18.34	6.21	16.94	6.45
	3. Interest Cost	15.56	2.40	13.63	2.04
	4. Settlement Cost	-	-	-	-
	5. Past Service Cost - (Vested Benefits)	-	-	-	-
	6. Employee Contribution /transfer	-	-	-	-
	5. Actuarial (Gain) / Losses	33.84	(1.34)	(21.85)	0.82
	6. Benefits Payments	(49.94)	(5.81)	(24.79)	(6.93)
	7. Present value of Defined Benefit Obligation at the end of the year	239.94	36.32	220.36	34.86
D	Change in Assets During the period ended 31 st March, 2022				
	1. Plan assets at the beginning of the year	14.61	-	12.83	-
	2. Settlements	-	-	-	-
	3. Expected return on plan assets	2.62	-	0.45	-
	4. Contributions by employers	-	-	14.63	-
	5. Actual benefits paid	-	-	(12.85)	-
	6. Actuarial {Gain / (Losses)}	(2.62)	-	(0.45)	-
	7. Plan assets at the end of the year	14.61	-	14.61	-
E	Actuarial Assumptions :				
	1. Discount Rate	0.08	0.08	0.08	0.08
	2. Mortality Rate	IALM2008	IALM2008	IALM2008	IALM2008

NOTE 44. 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:

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
Shares held by Struck off Company			
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 land 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 land 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 237of 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 45. Figures in respect of the previous year have been regrouped / rearranged wherever necessary.

As per our report of even date
For **Rahul Gautam Divan & Associates**
Chartered Accountants
Firm Registration No.: 120294W

For and on behalf of the Board of Directors

Partner
Membership No. 100733
Place: Mumbai
Date: 24th May, 2022

L.N. Goculdas
Chairman
DIN: 00459347

D. T. Gokhale
Executive Director
DIN: 06734397

B.L. Goculdas
Managing Director & CEO
DIN: 00422783

C. J. Shah
Chief Financial Officer

S. V. Joshi
Independent Director
DIN: 00392020

O. C. Mhamunkar
Company Secretary

Independent Auditor's Report

To the Members of

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 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 31st March, 2022, 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 31st March, 2022, 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 31st March, 2022. 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
1.	<p>Litigations and claims</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 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 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>We have Considered Litigation and claims as Key Audit Matter as it requires significant management judgement, including accounting estimation uncertainty.</p>	<p>Principal Audit Procedures:</p> <ul style="list-style-type: none"> 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. Discussing selected matters with the entity’s management. 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. <p>Conclusion:</p> <p>Based on the procedures described above, we did not identify any material exceptions to the management’s assertions and treatment, presentation & disclosure on the subject matter in the consolidated Ind AS financial statements.</p>
2.	<p>Revenue Recognition</p> <p>(as described in note 2.12 of the consolidated Ind AS financial statements)</p> <p>For the year ended 31st March, 2022 the Company has recognized revenue from contracts with customers amounting to ₹ 32,420.38 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>Principal Audit Procedures:</p> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Assessed the Company’s revenue recognition policy prepared as per Ind AS 115 ‘Revenue from contracts with customers’. Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition, discounts and rebates. 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. 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.

FINANCIAL STATEMENTS

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.

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.

- 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.
- Performed monthly analytical procedures of revenue by streams to identify any unusual trends.
- 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.

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 2021-22, 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 31st March, 2022 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.

FINANCIAL STATEMENTS

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 ₹ 44.58 Lakh as at 31st March, 2022, and total revenues of ₹ 8.25 Lakh 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 31st March, 2022 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 31st March, 2022 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) In our opinion, the Managerial Remuneration for the year ended 31st March, 2022 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group, – Refer Note 33 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 31st March, 2022.
 - 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.
- (iv) The dividend declared and paid during the year by the Company is as per the provisions of Section 123 of the Companies Act, 2013.

For **Rahul Gautam Divan & Associates**
ICAI Firm registration number: 120294W
Chartered Accountants

Rahul Divan

Partner

Membership No.: 100733

UDIN: 22100733AJMBAA8536

Place: Mumbai

Date: 24th May, 2022

FINANCIAL STATEMENTS

ANNEXURE-1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF 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 THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED as of and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting of 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 31st March, 2022, 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: 22100733AJMBAA8536
Place: Mumbai
Date: 24th May, 2022

FINANCIAL STATEMENTS

Consolidated Balance Sheet

(₹ In Lakhs)

Particulars	Notes	As at 31 st March, 2022	As at 31 st March, 2021
ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	15,839.62	9,285.07
Capital work-in-progress	3	6,282.47	3,804.66
Goodwill	3	1,465.10	1,465.10
Other Intangible Assets	3	66.31	29.37
Right of Use Assets	35	35.79	47.72
Other non-current assets	4	293.20	184.99
Deferred Tax Assets (Net)	5	1,704.65	2,381.92
Other non current Financial Assets		-	-
- Non current Investments	6	39.08	39.08
Total Non Current Assets		25,726.22	17,237.91
Current Assets			
Inventories	7	4,199.01	3,732.26
Financial Assets			
- Investments	8	-	4.14
- Trade receivables	9	4,977.82	3,229.15
- Cash and cash equivalents	10	226.98	392.06
- Bank balances other than cash and cash equivalents	11	70.76	104.60
- Others financial assets	12	68.91	122.22
- Current Tax Assets (Net)	13	(10.86)	(114.09)
Other current assets	14	3,110.13	1,662.25
Total Current Assets		12,642.75	9,132.58
Total Assets		38,368.98	26,370.50
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	15	2,493.99	2,493.99
Other Equity	16	16,868.43	14,824.50
Total Equity		19,362.43	17,318.50
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
- Long Term Borrowings	17	5,550.42	1,914.95
- Long Term Lease Liabilities	35	34.63	43.90
- Long Term Provisions	18	183.72	187.52
Other non-current liabilities	19	57.00	38.51
Total Non Current Liabilities		5,825.77	2,184.89
Current liabilities			
Financial Liabilities			
- Short Term Borrowings	20	2,244.71	790.25
- Short Term Lease Liabilities	35	3.93	3.93
- Trade payables	21		
- Due to Micro & Small Enterprises		98.08	19.33
- Due to Other than Micro & Small Enterprises		6,917.69	2,888.29
- Other financial liabilities	22	3,479.98	2,834.86
Other current liabilities	23	422.51	291.65
Provisions	24	13.88	38.78
Total Current Liabilities		13,180.78	6,867.10
Total Liabilities		19,006.56	9,051.98
Total Equity and liabilities		38,368.98	26,370.48

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**
Chartered Accountants
Firm Registration No.: 120294W

For and on behalf of the Board of Directors

Partner
Membership No. 100733
Place: Mumbai
Date: 24th May, 2022

L.N. Goculdas
Chairman
DIN: 00459347

D. T. Gokhale
Executive Director
DIN: 06734397

B.L. Goculdas
Managing Director & CEO
DIN: 00422783

C. J. Shah
Chief Financial Officer

S. V. Joshi
Independent Director
DIN: 00392020

O. C. Mhamunkar
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2022

(₹ In Lakhs)

Particulars	Notes	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Income			
Revenue from Operations	25	32,630.02	20,014.81
Other Income	26	606.07	777.83
Total Income		33,236.09	20,792.64
Expenses			
Cost of Raw Materials Consumed	27	20,192.68	9,548.59
Purchase of Stock-in-Trade	28	-	-
Changes in Inventories of Finished Goods and Work in Progress	29	(505.66)	(201.30)
Employee Benefits Expenses	30	1,962.69	1,651.26
Finance costs	31	389.37	239.99
Depreciation and amortization expense	3	805.98	- 682.94
Other Expenses	32	6,976.79	5,466.96
Total Expense		29,821.85	17,388.43
Profit before tax		3,414.23	3,404.20
Tax Expense			
Current Tax (PY under MAT)		889.60	600.40
Deferred Tax		390.62	(454.05)
		1,280.22	146.35
Profit for the year		2,134.01	3,257.86
Other Comprehensive Income			
(a) (i) Items that will not be reclassified to profit or loss		34.77	(20.16)
(ii) Income tax relating to items that will not be reclassified to Profit & Loss		-	-
(b) (i) Items that will be reclassified to Profit and Loss		-	(36.96)
(ii) income Tax relating to Items that will be reclassified to Profit and Loss		(1.15)	7.95
Total Other Comprehensive Income		33.61	(49.18)
Total Comprehensive Income for year		2,167.62	3,208.68
Earnings per equity share (FV ₹ 10/- per share) :			
Basic & Diluted (in ₹)- Refer Note No. 31		8.56	13.06

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**
Chartered Accountants
Firm Registration No.: 120294W

For and on behalf of the Board of Directors

Partner
Membership No. 100733
Place: Mumbai
Date: 24th May, 2022

L.N. Goculdas
Chairman
DIN: 00459347

D. T. Gokhale
Executive Director
DIN: 06734397

B.L. Goculdas
Managing Director & CEO
DIN: 00422783

C. J. Shah
Chief Financial Officer

S. V. Joshi
Independent Director
DIN: 00392020

O. C. Mhamunkar
Company Secretary

Consolidated Cash Flow Statement

(₹ In Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax	3,414.23	3,404.21
Add:		
1 Depreciation and amortisation	805.98	682.94
2 Interest charged	389.38	240.00
3 Unrealised Foreign Exchange Loss / (Gain)	66.41	50.39
4 (Gain)/Loss on sale of PPE / Investments	0.00	0.00
5 Other OCI impact (Net)	33.61	(49.18)
	1,295.38	924.15
Less:		
1 Interest Income	25.40	30.90
2 Dividend Income	1.72	3.53
3 Increase in Value of Current Investment	0.00	0.00
	27.12	34.43
Operating Profit before change in working capital	4,682.49	4,293.93
Working capital changes:		
Add / (Less):		
1 (Increase) / Decrease in inventories	(466.75)	(964.06)
2 (Increase) / Decrease in trade receivables	(1,815.07)	(805.57)
3 (Increase) / Decrease in Other Financial Assets	53.31	(50.25)
4 (Increase) / Decrease in Other non current Assets	(108.21)	(5.90)
5 (Increase) / Decrease in Other Current Assets	(1,447.88)	(279.28)
6 (Increase) / Decrease in Deferred Tax Assets	677.27	0.00
7 Increase / (Decrease) in trade payables	4,108.14	1,232.80
8 Increase / (Decrease) in other long term liabilities	18.49	0.68
9 Increase / (Decrease) in other financial liabilities	645.12	300.13
10 Increase / (Decrease) in other current liabilities	130.86	(82.93)
11 Increase / (Decrease) in Current Provisions	(24.90)	(8.09)
12 Increase / (Decrease) in Non-Current Provisions	(3.80)	(62.96)
	1,766.58	(725.43)
Cash generated from operations	6,449.07	3,568.50
Add / (Less):		
Direct taxes paid (Net of refunds)	(1,383.46)	(344.00)
Net Cash inflow from Operating Activities (A)	5,065.61	3,224.50
B CASH FLOW FROM INVESTING ACTIVITIES:		
Add:		
1 Proceeds from sale of Property, Plant & Equipment	0.00	494.09
2 Interest received	25.40	30.90
3 Dividend received	1.72	3.53
	27.12	528.52
Less:		
1 Purchase of Property, Plant & Equipment / increase in Capital WIP	(9,872.67)	(4,731.49)
2 (Purchase) / Sale of Current Investment	4.14	236.84
	(9,868.53)	(4,494.65)
Net Cash inflow from Investing Activities (B)	(9,841.41)	(3,966.13)
C CASH FLOW FROM FINANCIAL ACTIVITIES:		
Add:		
1 Receipt from issue of Equity Shares inclusive of share premium	0.00	0.00
2 Proceeds from borrowings (Non Current)	1,454.46	743.68
3 Proceeds from borrowings Net of repayment (Current)	3,635.47	0.00
4 Increase in Restricted Bank Balances other than cash & cash equivalents	33.84	(4.15)
5 Increase/(Decrease) in foreign Currency Translation Reserves	1.02	2.06
	5,124.79	741.59
Less:		
1 Repayment of borrowings (Non-current)	0.00	181.19
2 Repayment of borrowings net of proceeds (Current)	0.00	0.00
3 Interest and other finance costs	(389.38)	(240.00)
4 Payment of Equity Dividend	(124.70)	(380.58)
	(514.08)	(439.39)
Net Cash inflow from Financing Activities (C)	4,610.71	302.20
I. Net (decrease)/increase in cash and cash equivalents	(165.09)	(439.43)
II. Add: Cash and cash equivalents at the beginning of the period	392.06	831.49
III. Cash and cash equivalents at the end of the period	226.98	392.06

As per our report of even date
For **Rahul Gautam Divan & Associates**
Chartered Accountants
Firm Registration No.: 120294W

For and on behalf of the Board of Directors

Partner
Membership No. 100733
Place: Mumbai
Date: 24th May, 2022

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S. V. Joshi
Independent Director
DIN: 00392020
O. C. Mhamunkar
Company Secretary

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2022

A. EQUITY SHARE CAPITAL

Particulars	No. of Shares	₹ in Lakhs
Balance as at 31st March, 2021	2,43,51,003	2,493.99
Changes in equity share capital during FY 2021-22	-	-
Balance as at 31st March, 2022	2,43,51,003	2,493.99

B. OTHER EQUITY

Particulars	Reserves and Surplus						Total (₹ in Lakhs)
	Securities Premium Reserve	Capital Redemption Reserve	Other Reserves	Retained Earnings	Foreign Currency Translation Reserves	Other items of Other Comprehensive Income	
Balance at 31st March, 2021	1,714.81		66.59	12,973.22	7.13	62.75	14,824.50
Transfer to Capital Redemption Reserve	-	280.00	-	(280.00)	-	-	-
Profit for the year	-		-	2,134.01	-	-	2,134.01
Translation Reserve of Subsidiary			-	-	1.02	-	1.02
Other Comprehensive Income	-		-	-	-	33.61	33.61
Total Comprehensive Income (Net of Tax)	1,714.81	280.00	66.59	14,827.23	8.15	96.36	16,993.14
Equity Dividend Paid (Including Dividend Distribution Tax)	-		-	(124.70)	-	-	(124.70)
Balance at 31st March, 2022	1,714.81	280.00	66.59	14,702.53	8.15	96.36	16,868.42

FINANCIAL STATEMENTS

Particulars	Reserves and Surplus						Total (₹ in Lakhs)
	Securities Premium Reserve	Capital Redemption Reserve	Other Reserves	Retained Earnings	Foreign Currency Translation Reserves	Other items of Other Comprehensive Income	
Balance at 31st March, 2020	1,714.81	-	66.59	10,095.94	5.07	111.92	11,994.33
Profit for the year	-	-	-	3,257.86	-	-	3,257.86
Translation Reserve of Subsidiary				-	2.06	-	2.06
Other Comprehensive Income	-	-	-	-	-	(49.18)	(49.18)
Total Comprehensive Income (Net of Tax)	1,714.81	-	66.59	13,353.80	7.13	62.75	15,205.07
Equity Dividend Paid (Including Dividend Distribution Tax)	-	-	-	(380.58)	-	-	(380.58)
Balance at 31st March, 2021	1,714.81	-	66.59	12,973.22	7.13	62.75	14,824.50

Significant accounting policies and notes to Financial Statements (Note 2)

As per our report of even date
For **Rahul Gautam Divan & Associates**
Chartered Accountants
Firm Registration No.: 120294W

For and on behalf of the Board of Directors

Partner
Membership No. 100733
Place: Mumbai
Date: 24th May, 2022

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Independent Director
DIN: 00392020

O. C. Mhamunkar
Company Secretary

Notes to the Consolidated Financial Statements

as at 31st March, 2022

1 CORPORATE INFORMATION

The Consolidated financial statement comprises of financial statement of The Dharamsi Morarji Chemical Company Ltd and its subsidiary (collectively, the Group) for the year ended 31st March, 2022. The Dharamsi Morarji Chemical Company Limited (the Company) is a Public Limited Company domiciled in India. Its shares are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The Group is engaged in the business of manufacturing and selling of Commodity Chemicals and Speciality Chemicals.

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 42

The financial statements are authorised for issue in accordance with a resolution of the Board of Directors on 24th May, 2022

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 THE DHARAMSI MORARJI CHEMICAL CO. LTD and its subsidiary as at 31st March,

2022. 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:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- 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:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- 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

FINANCIAL STATEMENTS

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 Borax Morarji (Europe) 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 31st March, 2022. 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 31st March, 2022 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.

The current "second wave" of COVID-19 pandemic has significantly increased in India. The Government of India has ruled out a nationwide lockdown for now, but regional lockdowns are implemented in areas with a significant number of COVID-19 cases. Safety of our employees continues to be our key priority. We are encouraging the vaccination for our employees, providing flexible work option and adhering to COVID-19 guidelines. We are closely monitoring the situation and will continue to take all necessary actions to ensure the health and safety of our employees.

The Company has considered the possible effects that may result from COVID-19 in the preparation of these Consolidated financial results including the recoverability of carrying amounts of financial and non-financial assets. Based on the current quarter performance and estimates arrived at using external and internal sources of information, the company does not expect any material impact on such carrying values. The impact of COVID-19 on the company's financial statement may differ from that estimated as at the date of approval of consolidated financial statements and it will continue to monitor any material changes to future economic conditions.

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
- (vii) 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) Tangible assets:

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. 01.04.2016. 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.

FINANCIAL STATEMENTS

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 the sale of goods is recognised when (a) It is probable that the economic benefits associated with the transaction will flow to the entity and the amount of revenue can be measured reliably. (b) The significant risks and rewards of ownership of the goods have been passed to the buyer; and (c) The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and returns.

Goods sold on consignment are recorded as inventory until goods are sold by the consignee to the end customer.

Export sales are recognised based on the shipped on board date as per bill of lading when significant risk and rewards of ownership are transferred to the 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.

The Group has applied Ind AS 115 using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under erstwhile Ind AS 18 and Ind AS 11. The new Standard is applied to contracts that were remaining in force as at 1st April, 2018. The application of the standard does not have any significant impact on the retained earnings as at 1st April, 2018 or on these financial statements. The details of accounting policies under erstwhile Ind AS 18 and Ind AS 11 are disclosed separately if they are different from those under Ind AS 115.

The Group has applied Ind AS 116 - Leases using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under erstwhile Ind AS 17. The application of the standard does not have any significant impact on the retained earnings as at 1st April, 2020 or on these financial statements. The details of accounting policies under erstwhile Ind AS 17 are disclosed separately if they are different from those under Ind AS 116.

2.13 Foreign Exchange Transactions

Transactions in foreign currencies are initially recorded by the Group 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.

2.14 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.

FINANCIAL STATEMENTS

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).

2.15 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 judgement 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

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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

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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 Dividend on Preference Shares

Dividend paid ₹ 7.00 Lakhs for the year ended 31st March, 2022 (Previous year ₹ 7.00 Lakhs) are accounted for under finance charges.

2.28 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. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below: -

- **Indian Accounting Standard (Ind AS) 109 - Financial Instruments** - The amendments specify for modification in accounting treatment of certain costs incurred on derecognition of financial liabilities.
- **Indian Accounting Standard (Ind AS) 16 - Property, Plant and Equipment** - The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the group is preparing the asset for its intended use. Instead, an entity will recognise such sale proceeds and related cost in profit or loss. The group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.
- **Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent Liabilities and Contingent Assets** - The amendments specify that the cost of fulfilling a contract comprises the 'cost that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect to have any significant impact in its financial statements.

NOTE 3. PROPERTY, PLANT AND EQUIPMENT :

i) Tangible Assets

(₹ In Lakhs)

Particulars	Free Hold Land	Lease Hold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computer	Total	Capital work in progress
Gross carrying amount										
Deemed cost as at 1st April, 2021	286.29	1,852.73	2,054.80	7,817.72	86.47	166.22	63.11	94.27	12,421.61	-
Additions	-	-	269.31	7,114.87	14.22	14.79	11.53	16.07	7,440.78	-
Disposals	(3.70)	-	-	(41.98)	-	(11.35)	-	-	(57.04)	-
As at 31st March, 2022	282.59	1,852.73	2,324.10	14,890.61	100.69	169.66	74.63	110.34	19,805.35	-
Accumulated Depreciation										
As at 1st April, 2021	-	147.34	359.29	2,421.90	35.62	73.14	38.28	60.97	3,136.53	-
Depreciation charge for the year	-	20.82	61.31	647.19	8.68	17.87	7.37	14.78	778.02	-
Disposals	-	-	-	(3.05)	-	(8.15)	-	-	(11.20)	-
As at 31st March, 2022	-	168.16	420.60	3,066.04	44.30	82.86	45.64	75.75	3,903.35	-
Net book value										
As at 1st April, 2021	286.29	1,705.39	1,695.50	5,395.83	50.85	93.09	24.83	33.30	9,285.08	3,801.06
As at 31st March, 2022	282.59	1,684.57	1,903.50	11,824.57	56.39	86.80	28.99	34.59	15,902.00	6,282.47

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ii) Intangible Assets

(₹ In Lakhs)

Particulars	Software	Goodwill	Total	Intangible Assets under Development
Gross carrying amount				
Deemed cost as at 1 st April, 2021	73.40	1,465.10	1,538.50	-
Additions	79.68	-	79.68	-
Disposals	-	-	-	-
Exchange differences	-	-	-	-
As at 31st March, 2022	153.09	1,465.10	1,618.19	-
Accumulated Depreciation				
As at 1 st April, 2021	58.82	-	58.82	-
Depreciation charge for the year	27.96	-	27.96	-
Disposals	-	-	-	-
As at 31st March, 2022	86.78	-	86.78	-
Net book value				
As at 1 st April, 2021	14.58	1,465.10	1,479.68	3.59
As at 31st March, 2022	66.31	1,465.10	1,531.41	-

NOTE 4. OTHER NON CURRENT ASSETS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Unsecured, Considered Good		
Security deposits	293.20	212.99
Less: Provision for doubtful security deposit	-	(28.00)
Total	293.20	184.99

NOTE 5. DEFERRED TAX ASSETS (NET)

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Deferred Tax Assets	2,453.10	2,589.82
Deferred Tax Liabilities	(748.46)	(207.90)
Total	1,704.65	2,381.92

(₹ In Lakhs)

Particulars	Opening Balance	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax liability on account of:				
Property, plant and Equipment	207.90	540.56	-	748.46
Total Deferred Tax Liabilities	207.90	540.56	-	748.46
Deferred tax asset on account of:				
Provision for Leave encashment	-	19.85	-	19.85
Provision for Gratuity	-	44.47	-	44.47
MAT Credit entitlement	2,589.82	(201.04)	-	2,388.78
Total Deferred Tax Assets	2,589.82	(136.72)	-	2,453.10
Net Deferred Tax	2,381.92	(677.28)	-	1,704.65

NOTE 6. NON CURRENT INVESTMENTS

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	No of shares	₹ In Lakhs	No of shares	₹ In Lakhs
Investments in Equity Instruments				
Unquoted equity instruments				
Investment in Wholly Owned Subsidiaries fully paid up (at Cost)				
Fully Paid Equity shares of ₹ 50 each of Borax Morarji (Europe) GmBH, Germany	-	-	-	-
Others				
Fully Paid Equity Shares of ₹ 10/- each in Janakalyan Sahakari Bank Ltd.	3,69,250	36.92	3,69,250	36.92
Fully Paid Equity Shares of ₹ 10/- each in Saraswat Co-operative Bank Ltd.	1,000	0.10	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	3,000	1.50
Fully Paid Equity Shares of ₹ 10/- each in Indian Potash Ltd.	66,000	0.55	33,000	0.55
Aggregate amount of unquoted Investments		39.08		39.08

NOTE 7. INVENTORIES (BASIS OF VALUATION - REFER NOTE 2.8) (AS TAKEN, VALUED AND CERTIFIED BY THE MANAGEMENT)

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Raw Materials	1,108.10	1,575.03
Raw Material in Transit	241.69	-
Packing Materials	118.49	106.50
Work-in-Process	313.23	438.24
Finished Goods	1,431.82	801.06
Traded Goods	-	-
Stores and Spares	985.68	811.43
Total	4,199.01	3,732.26

Note

Inventories of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat amounting to ₹ 4199.01 Lakhs (Previous Year - ₹ 3732.26 Lakhs) are offered as security by way 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. CURRENT INVESTMENTS

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	No of Units	₹ In Lakhs	No of Units	₹ In Lakhs
Investment in Mutual Funds **				
Unit Trust of India	-	-	14,080	4.14
Total		0.00		4.14

** Investments in all mutual funds are stated at NAV at the year end and as workout at FVTOCI.

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NOTE 9. TRADE RECEIVABLES

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Trade receivables outstanding for a period less than six Months		
Considered Good - Secured		
Considered Good - Unsecured		
- Receivable from Related Parties	6.35	41.86
- Others	4,971.47	3,187.29
Considered Doubtful	-	-
	4,977.82	3,229.15
	4,977.82	3,229.15
Less:		
Provision for doubtful debts	-	-
Total	4,977.82	3,229.15

Receivables of ₹ 4975.69 Lakhs (Previous Year ₹ 3185.01 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 31st March, 2022 and 31st March, 2021.

(₹ In Lakhs)

Particulars	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at 31st March, 2022						
Undisputed Trade Receivable - Considered Good	4,938.28	1.70	17.59	4.58	13.54	4,975.69
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	-	-	-	-	-	-
Total	4,938.28	1.70	17.59	4.58	13.54	4,975.69
Less: Expected Credit Loss (ECL)	-	-	-	-	-	-
Total Trade Receivable	4,938.28	1.70	17.59	4.58	13.54	4,975.69
As at 31st March, 2021						
Undisputed Trade Receivable - Considered Good	3,107.76	30.56	12.19	10.26	24.24	3,185.01
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	-	-	-	-	-	-
Total	3,107.76	30.56	12.19	10.26	24.24	3,185.01
Less: Expected Credit Loss (ECL)	-	-	-	-	-	-
Total Trade Receivable	3,107.76	30.56	12.19	10.26	24.24	3,185.01

NOTE 10. CASH AND CASH EQUIVALENTS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Bank Balances in Current Accounts	225.19	389.95
Cash on hand	1.79	2.11
Total	226.98	392.06

NOTE 11. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Unpaid Dividend Account	41.23	57.04
Margin Money Deposit Account	29.54	47.57
Total	70.77	104.61

Margin money deposit has been given to various Banks for issuance of Bank Guarantee's.

NOTE 12. OTHER CURRENT FINANCIAL ASSETS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Fixed Deposit with banks more than 12 months	68.91	122.22
Total	68.91	122.22

NOTE 13. CURRENT TAX ASSETS (NET)

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Income tax (Net of Provision for Taxation)	(10.86)	(114.09)
Total	(10.86)	(114.09)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March, 2022

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Accounting Profit before Income tax	3414.23	3404.20
At India's statutory income tax rate of 29.12% for FY 2021-22 & 29.12% for FY 2020-21	994.22	981.77
Adjustments in respect of current income tax w.r.t. MAT tax rate and Normal tax rate	(104.62)	(381.37)
Current tax- MAT	889.60	600.40
At the effective income tax rate	26.06%	17.64%

The Company now falls under the Normal Tax and hence the provisions of MAT u/s 115 JB are not applicable for the year ended 31st March, 2022.

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NOTE 14. OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balances with Government Authorities	1,958.10	787.08
Pre-paid Expense	166.70	146.03
Others advances	10.70	13.02
Others*	974.63	716.13
Total	3,110.13	1,662.25

*Others include ₹ 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 and registered in due course.

*Others include ₹ 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 course of time. (Refer Note. 33)

NOTE 15. EQUITY SHARE CAPITAL

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	No. of Shares	₹ In Lakhs	No. of Shares	₹ In Lakhs
Authorized Share Capital				
Equity Shares of ₹ 10/- each	4,00,00,000	4,000.00	4,00,00,000	4,000.00
	4,00,00,000	4,000.00	4,00,00,000	4,000.00
Shares issued, subscribed and fully Paid up				
Equity Shares of ₹ 10 each	2,49,39,933	2,493.99	2,49,39,933	2,493.99
	2,49,39,933	2,493.99	2,49,39,933	2,493.99

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	No. of Shares	₹ In Lakhs	No. of Shares	₹ In Lakhs
Equity Shares :				
Equity Shares at the beginning of the year	2,49,39,933	2,493.99	2,49,39,933	2,493.99
Add: Shares Issued during the year	-	-	-	-
Add: Shares Issued during the year pursuant to the scheme of amalgamation	-	-	-	-
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 Promoters Name	As at 31 st March, 2022			As at 31 st March, 2021		
	No of Shares	% of Total Shares	% change during the year	No of Shares	% of Total Shares	% change during the year
Shri Laxmikumar Narottam Goculdas	90,18,420	36.16%	0.63%	88,61,044	35.53%	0.00%

NOTE 16. OTHER EQUITY

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
i. Security Premium Reserves	1,714.81	1,714.81
ii. Capital Redemption Reserve	-	-
iii. Other Reserves	66.59	66.59
iv. Foreign Currency Translation Reserves	8.15	7.13
v. Retained Earnings	14,982.53	12,973.22
vi. Other Comprehensive Income	96.36	62.75
Total	16,868.43	14,824.49

i. Security Premium Reserves

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance at the beginning of the year	1,714.81	1,714.81
Add: Premium on shares issued during the year	-	-
Balance at the end of the year	1,714.81	1,714.81

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 31 st March, 2022	As at 31 st March, 2021
Balance at the beginning of the year	-	-
Add: Transfer during the year	280.00	-
Balance at the end of the year	280.00	-

iii. Other Reserve

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance at the beginning of the year	66.59	66.59
Add: Transfer during the year	-	-
Balance at the end of the year	66.59	66.59

Other reserve represents Capital subsidy received from various state Government.

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iv. Foreign Currency Translation Reserve

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance at the beginning of the year	7.13	5.07
Add: Addition during the year	1.02	2.06
Balance at the end of the year	8.15	7.13

v. Retained Earnings

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance at the beginning of the year	12,973.22	10,095.94
Less: Transfer to Capital Redemption Reserve		
Add: Profit for the year	2,134.01	3,257.86
Less: Equity Dividend Paid (Including DDT of prev year)	(124.70)	(380.58)
Balance at the end of the year	14,982.53	12,973.22

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.

vi. Other Comprehensive Income

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance at the beginning of the year	62.75	111.92
OCI for the year	33.61	(49.18)
Balance at the end of the year	96.36	62.75

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 17. LONG TERM BORROWINGS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Term Loan		
From Bank		
(a) Secured		
(i) Car Loan from Financial Institutions	-	5.72
(ii) Project Loan from Bank	4,737.42	1,401.70
(iii) Mortgage Loan from Bank	-	222.48
	4,737.42	1,629.90
From Other Parties (Unsecured)		
(b) Unsecured		
Deferred Liabilities-Interest Free Sales Tax Loan from MEDA **	-	5.05
Fixed Deposits	-	-
	-	5.05
2,80,000 Redeemable Preference Shares of ₹ 100/-each ***	-	280.00
Fixed Deposits	813.00	-
Total Long Term Borrowings	5,550.42	1,914.95
Long Term Lease Liabilities	34.63	43.90

(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% to 0%. Secured against hypothecation of Vehicles.

Out of total outstanding Car loan as on 31st March, 2022 of ₹ 6.22 Lakhs (Previous Year: ₹ 16.77 lakhs), amount due in next twelve months is ₹ 6.22 lakhs (Previous Year: ₹ 11.05 Lakhs), which is shown as 'Current maturities of Long Term Debts' under 'Other Financial Liabilities' (See Note No. 22 (1) (i)). The balance Car Loan of ₹ 0 Lakhs (Previous Year: ₹ 5.72 Lakhs) is shown above as Car loan from Bank / Non-Banking Financial Institution.

(a) (ii) Project Loan from bank

Sanctioned Term Loan - ₹ 580.00 Lakhs. Current Outstanding as on 31st March, 2022 is ₹ 139.66 Lakhs. Repayable in 57 EMI's commencing from 27.07.2018. Rate of interest is 10.25%. 45 EMIs have been paid in time, up to 31st March, 2022 and 12 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

Sanctioned Term Loan - ₹ 700.00 Lakhs. Current Outstanding as on 31st March, 2022 is ₹ 605.99 Lakhs. Repayable in 60 EMI's commencing from Jun-2021. Rate of interest is 10.25%. 10 EMIs have been paid in time, up to 31st March, 2022 and 50 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

Sanctioned Term Loan - ₹ 1500.00 Lakhs. Current Outstanding as on 31st March, 2022 is ₹ 975.00 Lakhs. Repayable in 60 EMI's commencing from 15.07.2020. Rate of interest is 10.25%. 39 EMI's are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Dahej.

Sanctioned Term Loan - ₹ 1875.00 Lakhs. Current Outstanding as on 31st March, 2022 is ₹ 1764.23 Lakhs. Repayable in 60 EMI's commencing from 30.04.2022. Rate of interest is 9.85%. 60 EMI's are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Dahej.

Sanctioned Term Loan - ₹ 600.00 Lakhs. Current Outstanding as on 31st March, 2022 is ₹ 370.00 Lakhs. Repayable in 60 EMI's commencing from 30.04.2022. Rate of interest is 9.85%. 60 EMI's are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Dahej.

Sanctioned Term Loan - ₹ 2625.00 Lakhs. Current Outstanding as on 31st March, 2022 is ₹ 2113.64 Lakhs. Repayable in 60 EMI's commencing from 31.05.2022. Rate of interest is 9.85%. 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 31st March, 2022 of ₹ 5,968.52 Lakhs (PY: ₹ 1,852.32 Lakhs), amount due in next twelve months is ₹ 1,231.10 Lakhs (PY: ₹ 450.62 Lakhs), which is shown as 'Current maturities of Long Term Debts' under 'Other Financial Liabilities' (See Note No. 22 (1)(ii)). The balance Term Loan of ₹ 4,737.42 Lakhs (PY: ₹ 1,401.70 Lakhs) is shown as Project Loan.

(a) (iii) Mortgage Term Loan from Bank:

Sanctioned Term Loan - ₹ 1100.00 Lakhs. Current Outstanding as on 31st March, 2022 is ₹ 265.24 Lakhs. Repayable in 57 EMI's commencing from 27.07.2018. Rate of interest is 10.25%. 45 EMIs have been paid in time, up to 31st March, 2022 and 12 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

Out of total outstanding mortgage loan as on 31st March, 2022 of ₹ 265.24 Lakhs (PY: ₹ 504.57 Lakhs), amount due in next twelve months is ₹ 265.24 Lakhs (PY: ₹ 282.09 Lakhs), which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities' (See Note No. 22 (1)(iii)) The balance Term Loan of ₹ 0.00 Lakhs (PY: ₹ 222.48 Lakhs) is shown as Mortgage Term Loan from Bank as above.

****Interest free Sales Tax Loan from MEDA**

Interest free Sales Tax Loan from MEDA is repayable in 30 equal installment starting from May, 2010 and ending May, 2023

Out of total outstanding Interest free Sales Tax Loan as on 31st March, 2022 of ₹ 3.62 Lakhs (PY: ₹ 16.30 Lakhs), amount due in next twelve months is ₹ 3.62 Lakhs (PY: ₹ 11.25 Lakhs), which is shown as 'Current maturities of Long Term Debts' under 'Other Financial Liabilities' (See Note No. 22 (1)(iv)) The balance Term Loan of ₹ 0.00 Lakhs (PY: ₹ 5.05 Lakhs) is shown as Interest free Sales Tax Loan as above.

*****Non-Convertible Preference Shares**

The Company has redeemed its entire outstanding of ₹ 280.00 Lakhs of 2,80,000, 2.5% Cumulative redeemable non-convertible Preference Shares of ₹ 100/- each on 7th March, 2022 including the Dividend payable upto date of

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redemption and accordingly a Capital Redemption Reserve of sum equivalent to the nominal amount of the Preference Shares redeemed i.e. ₹ 280.00 Lakhs has been created out of Retained Earnings.

NOTE 18. LONG TERM PROVISIONS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Provision for Employee Benefits		
Provision for Gratuity	122.01	113.44
Provision for Leave benefit	61.71	74.08
Total	183.72	187.53

NOTE 19. OTHER NON-CURRENT LIABILITIES

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(i) Security Deposits from distributors and others	26.51	26.51
(ii) Security Deposits received against Royalty	30.49	12.00
Total	57.00	38.51

NOTE 20. SHORT TERM BORROWINGS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
From Banks		
Secured	2244.71	790.25
Cash Credit from Bank	-	-
	2,244.71	790.25
	2,244.71	790.25
Short Term Lease Liabilities	3.93	3.93

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 21. TRADE PAYABLES

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(i) Outstanding due to Micro and Small Enterprise (Refer Note 20.2)	98.08	19.33
(ii) Trade Payable other than Micro and Small Enterprise	4,085.63	2,268.40
(iii) Bills Payable	2,832.05	619.89
Total	7,015.76	2,907.61

21.1 Payment towards trade is made as per the terms and condition of the contract/purchase order. Average Credit period is 30-90 days.

21.2 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 31st March, 2022 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: -

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(i) Principal amount due and remaining unpaid	98.08	19.33
(ii) Interest due on above and the unpaid interest	1.14	1.45
(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	1.14	1.45
(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 31st March, 2022 and 31st March, 2021.

(₹ In Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at 31st March, 2022					
MSME	98.08	-	-	-	98.08
Others	4,059.41	10.91	-	-	4,070.32
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
As at 31st March, 2021					
MSME	19.33	-	-	-	19.33
Others	2,181.80	35.72	-	-	2,217.52
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-

NOTE 22. OTHER FINANCIAL LIABILITIES

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
1 Current maturities of long-term debt		
(i) Current maturities of Long Term Debts (Car Loan)	6.22	11.05
(ii) Current maturities of Long Term Debts (Project Loan)	1,231.10	450.62
(iii) Current maturities of Mortgage Loan	265.24	282.09
(iv) Current maturities of Interest free Sales Tax Loan from MEDA	3.62	11.25
	1,506.18	755.00
2 Unpaid Dividend (Amount Transferable to Investor Education & Protection Fund when due)	41.05	56.86
3 Unpaid Matured Fixed Deposits (Unclaimed)	0.21	0.51
	1,547.44	812.38
4 Dividend payable on preference shares	-	-

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5 Others Payable		
Trade Deposit	78.53	92.51
Advance received from customers	46.25	98.25
Advance received against sale of Asset	-	-
Others	1,807.77	1,831.73
	1,932.55	2,022.49
Total	3,479.99	2,834.87

During the year Company has repaid the Current maturities of Working Capital Term Loan and Property Loan.

NOTE 23. OTHER CURRENT LIABILITIES

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Statutory dues payable	168.68	48.04
Due to Employees	253.83	243.61
Total	422.51	291.65

NOTE 24. PROVISIONS (CURRENT)

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Provision for Employee Benefits		
Provision for Gratuity	7.42	31.85
Provision for Leave benefits	6.45	6.94
Total	13.87	38.79

NOTE 25. REVENUE FROM OPERATIONS

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Revenue from Contracts with Customers		
Sale of Chemical Products	32,420.38	19,639.15
Other Operating Revenues		
- Royalty	67.55	93.08
- Export Incentives	109.72	256.53
- Wind Mills	32.37	26.05
	209.64	375.66
	32,630.02	20,014.81
Revenue from Contracts with Customers		
1) Disaggregated revenue information		
Set out below is the disaggregation of the Company's revenue from contract with Customers:		
Segment		
Chemicals	32,420.38	19,639.15
Traded sales	-	-
	32,420.38	19,639.15

Geographical		
India	23,619.82	15,142.13
Outside India	8,800.56	4,497.02
	32,420.38	19,639.15
Timing of Revenue Recognition		
Goods transferred at a point in time	32,420.38	19,639.15
2. Contract Balances		
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers		
Trade Receivables	4,975.69	3,185.01
Contract Liabilities		
Advances from Customers	46.25	98.25
3. Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price	33,207.06	20,203.55
Adjustments	-	-
Significant financing component	-	-
Sales return	132.19	154.50
Rebate	-	-
Discount	654.49	409.90
Revenue from contract with customers	32,420.38	19,639.15
4. The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at 31st March, 2022:		
Advances from customers	46.25	98.25

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 26. OTHER INCOME

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Interest Income	25.40	30.90
Dividend Income	1.72	3.53
Other non -operating income	474.76	639.31
Sundry Balances Written Back	104.18	104.09
Total	606.07	777.83

NOTE 27. COST OF MATERIAL CONSUMED

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Consumption of Raw Materials	19,956.79	9,203.09
Consumption of packing materials	235.89	345.50
Total	20,192.68	9,548.59

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NOTE 28. PURCHASE OF STOCK IN TRADE

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Purchased of Goods Traded	-	-
Total	-	-

NOTE 29. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROCESS AND TRADE GOODS (AS CERTIFIED BY THE MANAGEMENT)

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Inventory at the beginning of the year		
Work in Process	438.24	143.03
Finished Goods	801.06	799.76
Traded Goods	-	95.20
	1,239.30	1,037.99
Inventory at the end of the year		
Work in Process	313.23	438.24
Finished Goods	1,431.72	801.06
Traded Goods	-	-
	1,744.95	1,239.30
Total	(505.66)	(201.30)

NOTE 30. EMPLOYEE BENEFITS EXPENSE

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Salaries and Wages (Net after Repairs)(*)	1,628.64	1,383.67
Contribution to Provident Fund	103.02	86.37
Contribution to Other Funds (Gratuity, Superannuation, etc)	69.25	45.37
Staff Welfare Expenses	161.77	135.84
	1,962.69	1,651.26
(*) Salaries & Wages allocated to Repairs etc.	68.05	61.40

NOTE 31. FINANCE COST

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Finance Cost		
Interest Paid to Banks	196.98	213.35
Interest paid to Others	185.39	19.64
Dividend on Preference Shares	7.00	7.00
Total	389.37	239.99

NOTE 32. OTHER EXPENSES

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
Power, Fuel and Water	1,537.96	1,398.80
Repairs to buildings	80.52	17.62
Repairs to machinery	1,241.17	1,325.92
Insurance	131.37	102.11
Rates and taxes	79.94	66.39
Commission to Non Whole Time Directors	28.55	28.07
Internal handling, Freight and carriage outward	1,798.05	930.90
Net loss/(gain) on foreign currency transactions	66.40	50.38
Auditors' Remuneration		
Audit fees	9.00	18.00
For other services	4.50	8.50
Reimbursement of out of pocket expenses	0.39	0.75
	13.89	13.37
Sundry Balances Written Back	24.10	(2.68)
Written Down Value Assets Scrapped/Loss on Sale of Fixed Assets/ Investments	-	-
Expenditure on Corporate Social Responsibility initiatives	73.09	61.39
Miscellaneous expenses *	1,901.75	1,474.70
Total	6,976.79	5,466.96

*None of the item individually accounts for more than ₹ 10,00,000/- or 1% of revenue whichever is higher.

NOTE 33. CONTINGENT LIABILITIES

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
A Contingent Liabilities		
(i) Outstanding claims in respect of Excise Duty, etc.	1,554.60	1,554.60
(ii) Guarantees issued by banks	33.34	17.19
(iii) Claims against Company 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 01.03.2002 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 2nd January, 2019 (against the Order dated 07.02.2018 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

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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 1.3.2006 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 2nd January, 2019 (against the Order dated 07.02.2018 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 34. COMMITMENTS

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Estimated Amount of Contracts remaining to be executed on Capital Account & not provided for (Net of Advances)	459.96	4,233.99

NOTE 35. 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)

Particulars	Leasehold Office
As at 31-3-2021	47.72
Additions	-
Depreciation Expenses	11.93
Termination	-
As at 31-3-2022	35.79

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

(₹ In Lakhs)

Particulars	Leasehold Office
As at 31-3-2021	47.83
Additions	-
Accretion of Interest	3.93
Payments	13.20
Termination	-
As at 31-3-2022	(9.27)

The following are the amounts recognised in profit or loss

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Depreciation expense of right-of-use assets	11.93	0.99
Interest expense on lease liabilities	3.93	-
Expense relating to short-term leases and low value leases (included in other expenses)	27.86	30.98
Total amount recognised in profit or loss	43.72	31.97

The Group had total cash outflows for leases of ₹ 43.47 Lakhs in 31st March, 2022 (₹ 31.97 Lakhs in 31st March, 2021). There are no noncash additions to right-of-use assets and lease liabilities.

NOTE 36. There is only one reportable segment i.e chemicals business of the group.

NOTE 37. CORPORATE SOCIAL RESPONSIBILITY

As 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 ₹ 73.09 Lakhs (Previous year ₹ 61.39 Lakhs) towards several CSR activities.

Corporate Social Responsibility expenditure is as follows:

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Amount required to be spent by the company during the year	72.00	59.34
Amount of expenditure incurred	73.09	61.39
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	-	-
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 sanitation, women empowerment, social empowerment, hostel and boarding for poor childrens and differently abled childrens, old age home.
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

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NOTE 38. 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 31 st March, 2022	For the Year ended 31 st March, 2021
Profit attributable to Equity share holder of the Company (₹ In Lakhs)	2,134.01	3,257.86
Weighted Average Number of Equity Shares	2,49,39,933	2,49,39,933
Earning per Equity Shares (Basic & Diluted) (₹)	8.56	13.06

NOTE 39. 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 Group 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 excepted 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

Promoters Shareholding	As at 31 st March, 2022			As at 31 st March, 2021		
	Currency		₹ in Lakhs	Currency		₹ in Lakhs
Trade Receivables	USD	14,14,401	1,072.26	USD	12,07,417	887.45
	EURO	6,45,793	546.73	EURO	4,06,459	349.96
			1,618.99			1,237.41
Hedged Position	USD	-	0.00			0.00
			1,618.99			1,237.41
Trade Payable	USD	3,17,800	(240.92)	USD	(2,14,351)	(148.27)
Net Exposure to Currency Risk			1,378.06			1,089.14

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EUR against all other currencies at 31st 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.

(₹ In Lakhs)

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	Profit or Loss		Profit or Loss	
	Strengthening	Weakening	Strengthening	Weakening
USD 1% Movement	8.31	(8.31)	5.47	(5.47)
EURO 1% Movement	5.47	(5.47)	1.44	(1.44)

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.

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(i) The exposure of borrowings to interest rate changes at the end of reporting period are as follows:

(₹ In Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Fixed rate borrowings	8,484.69	3,443.90
Interest Swap	404.90	772.27
Net Exposure after Swap	8,079.79	2,671.63

Promoters Shareholding	As at 31 st March, 2022			As at 31 st March, 2021		
	Weighted average interest rate (%)	Balance	% of total loans	Weighted average interest rate (%)	Balance	% of total loans
Term Loans	7.54%	6,233.76	73.47%	10.25%	2,356.88	68.44%
Loans repayable on demand *	5.72%	2,250.93	26.53%	7.50%	1,087.02	31.56%
Net exposure to cash flow interest rate risk		8,484.69			3,443.90	

*Loans repayable on demand include Car Loan and PCFC loan

(iii) 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 40. OTHER ADDITIONAL INFORMATION :

(i) VALUE OF RAW MATERIALS AND BOUGHTOUTS, STORES, SPARES AND COMPONENTS CONSUMED

Raw Materials and Boughtouts:	Year ended 31 st March, 2022		Year ended 31 st March, 2021	
	₹ in Lakhs	%	₹ in Lakhs	%
Imported	1,495.49	7.41	1,988.17	20.82
Indigenous	18,697.19	92.59	7,560.42	79.18
Total	20,192.68	100.00	9,548.59	100.00

(₹ In Lakhs)

Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Stores, Spares and Components:		
Indigenous	764.41	990.52
(ii) VALUE OF IMPORTS CALCULATED ON CIF BASIS :		
Raw Materials & Boughtouts	1,484.23	1,567.82
(iii) EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF :		
Foreign tours, Subscription, depot & exhibition expenses etc.	100.65	306.13
(iv) EARNINGS IN FOREIGN CURRENCY IN RESPECT OF :		
Export of goods calculated on FOB basis	8,186.10	6,103.54

NOTE 41. SEGMENT REPORTING :-

a) Primary Business Segment :

The Company is engaged in manufacture of Chemicals. As the Company is engaged only in one business segment.

b) Secondary Geographical Segment

(₹ In Lakhs)

Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Sales Turnover :-		
i) In India	23,619.82	13,340.12
ii) Outside India	8,800.56	6,295.91
Total	32,420.38	19,636.03

NOTE 42. RELATED PARTIES DISCLOSURES :

Names of related parties	Nature of Relationship
(i) Shri L.N.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 and Key Managerial persons
(iii) L.P.Gas Equipment Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(iv) L.P.Gas Transport & Bottling Co. Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(v) Phoenix Distributors Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(vi) Jasraj Trading Co.	Enterprises under the Control of Promoter and Key Managerial persons
(vii) Kosan Industries Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(viii) Bombay Foods Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(ix) Falcon Chemicals LLC, Dubai	Enterprises under the Control of Promoter and Key Managerial persons
(x) Ms. Mitika L. Goculdas	Daughter of Promoter and Chairman
(xi) Shri B.L.Goculdas	Key Management Person - Managing Director and Chief Executive Officer
(xii) Shri D.T.Gokhale	Key Management Person - Executive Director
(xiii) Shri Chirag Shah	Key Management Person - Chief Finance Officer
(xiv) Shri Omkar Mhamunkar	Key Management Person - Company Secretary

(₹ In Lakhs)

Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
A Transaction with Promoters holding more than 20% of the voting power		
Sitting Fees for attending Board and Committee meetings -Shri L. N. Goculdas	2.25	2.25
Commission paid to Promoter- Shri. L.N.Goculdas	10.81	9.35
B Sitting Fees for attending Board and Committee Meetings to Ms. Mitika L. Goculdas	2.25	1.75
Commission paid to Ms. Mitika L. Goculdas	3.60	3.12
C Transactions with Related Parties		
(i) Sale of Goods/Services Rendered by the Group		
Falcon Chemicals LLC, Dubai	-	1.61
Borax Morarji (Europe) GMBH	14.80	160.47

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(ii)	Closing balance of Falcon Chemical LLC, Dubai included in Current Assets of the Group	-	-
	Closing balance of Borax Morarji (Europe) GMBH included in Current Assets of the Group	-	26.07
D	Transactions relating to Key Management Personnel		
(i)	Remuneration		
	B. L. Goculdas	143.43	118.88
	D. T. Gokhale	41.19	35.44
	Chirag . J. Shah	35.66	34.44
	Omkar Mhamunkar	13.13	0.00
		233.42	188.76
(ii)	Perquisites and Other Benefits		
	B. L. Goculdas	34.61	25.95
	D. T. Gokhale	0.95	0.91
	Chirag . J. Shah	0.32	0.32
	Omkar Mhamunkar	0.50	0.00
		35.87	27.18
Total		269.29	215.94

Related party relationships are as identified by the Group and relied upon by the Auditors.

NOTE 43. 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 31.03.2022, the required data is as follows:

(₹ In Lakhs)

I	Continuing Employees :	Apr 21/ Mar 22	Apr 21/ Mar 22	Apr 20/ Mar 21	Apr 20/ Mar 21
A	Expense recognised in the statement of Profit & Loss Account for period ended 31 st March, 2022	GRATUITY	LEAVE ENCASHMENT	GRATUITY	LEAVE ENCASHMENT
	1. Current Service Cost	18.34	6.21	13.10	14.92
	2. Interest Cost	15.56	2.4	14.51	2.46
	3. Past Service Cost (vested benefits)	0.00	0.00	-	-
	3. Expected Return on plan assets	0.00	0.00	-	-
	4. Actuarial (Gain) / Losses	33.84	0.00	17.35	(46.44)
	5. Total Expenses	67.74	8.61	44.96	(29.06)
B	Net Assets/(Liability) recognised in the Balance Sheet as at 31/03/2022				
	1. Present value of Defined Benefit Obligation as at 31 st March, 2022	239.94	36.32	196.58	27.00
	2. Fair Value of plan assets as at 31 st March, 2022	14.61	0.00	12.83	0
	3. Funded Status [(Surplus)/(Defecit)]	(225.33)	(36.32)	(183.75)	(27.00)
	4. Net asset / (Liability) as at 31 st March, 2022	(225.33)	(36.32)	(183.75)	(27.00)

C	Change in Obligation during the period ended 31 st March, 2022				
	1. Present value of Defined Benefit Obligation at the beginning of the year	222.14	34.86	134.8	46.09
	2. Current Service Cost	18.34	6.21	13.1	14.92
	3. Interest Cost	15.56	2.40	14.51	2.46
	4. Settlement Cost	0.00	0.00	0.00	0.00
	5. Past Service Cost - (Vested Benefits)	0.00	0.00	0.00	0.00
	6. Employee Contribution /transfer	0.00	0.00	35.11	9.97
	5. Actuarial (Gain) / Losses	33.84	(1.34)	17.35	(46.44)
	6. Benefits Payments	(49.94)	(5.81)	(18.29)	0.00
	7. Present value of Defined Benefit Obligation at the end of the year	239.94	36.32	196.58	27.00
D	Change in Assets During the period ended 31 st March, 2022				
	1. Plan assets at the beginning of the year	14.61	0.00	17.55	0.00
	2. Settlements	0.00	0.00	0.00	0.00
	3. Expected return on plan assets	2.62	0.00	0.70	0.00
	4. Contributions by employers	0.00	0.00	0.00	0.00
	5. Actual benefits paid	0.00	0.00	(5.42)	0.00
	6. Actuarial {Gain / (Losses)}	(2.62)	0.00	0.00	0.00
	7. Plan assets at the end of the year	14.61	0.00	12.83	0.00
E	Actuarial Assumptions :				
	1. Discount Rate	0.08	0.08	0.08	0.08
	2. Mortality Rate	IALM2008	IALM2008	IALM2008	IALM2008

NOTE 44. 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:

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
Shares held by Struck off Company			
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.

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- (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 land 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 land 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 237of 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 45. GROUP INFORMANTION

The Consolidated financial statement of the group includes subsidiary is mentioned below:

S.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	Amount (₹ in Lakhs)	As % of Consolidated Profit or Loss	Amount (₹ in Lakhs)	As % of Consolidated Other Comprehensive Income	Amount (₹ in Lakhs)
i)	The Dharamsi Morarji Chemical Company Ltd	India	Parent Company		31 st March 2022	99.85% 19,333.52	100.11% 2,136.34	100.00% 33.61	100.11%	2,169.95				2,169.95
					31 st March 2021	99.83% 17,288.27	99.95% 3,256.08	100.00% (49.18)	99.94%	3,206.90				3,206.90
ii)	Foreign Subsidiaries having No minority interest													
	Borax Morarji Europe GmbH	Germany	Wholly Owned Subsidiary	100%	31 st March 2022	0.15% 28.91	(0.00)% (2.33)	- -	(0.00)%	(2.33)				(2.33)
					31 st March 2021	0.17% 30.22	0.05% 1.78	- -	0.06%	1.78				1.78
	Total				31st March 2022	100% 19,362.43	100% 2,134.01	100% 33.61	100%	2,167.62				2,167.62
					Total									
					31 st March 2021	100% 17,318.49	100% 3,257.86	100% (49.18)	100%	3,208.68				3,208.68

NOTE 46. Figures in respect of the previous year have been regrouped / rearranged wherever necessary.

As per our report of even date For and on behalf of the Board of Directors

For **Rahul Gautam Divan & Associates**

Chartered Accountants

Firm Registration No.: 120294W

Partner

Membership No. 100733

Place: Mumbai

Date: 24th May, 2022

L.N. Goculdas

Chairman

DIN: 00459347

D. T. Gokhale

Executive Director

DIN: 06734397

B.L. Goculdas

Managing Director & CEO

DIN: 00422783

C. J. Shah

Chief Financial Officer

S. V. Joshi

Independent Director

DIN: 00392020

O. C. Mhamunkar

Company Secretary



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