



DMCC Speciality Chemicals Limited

(Formerly known as “The Dharamsi Morarji Chemical Company Limited”)

Transcript of 102nd ANNUAL GENERAL MEETING held on September 12, 2023 11:30 AM

Participants:

- | | |
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| Shri Laxmikumar Narottam Goculdas | - Chairman of the Board, Chairman of Stakeholder Relationship Committee |
| Ms. Mitika Laxmikumar Goculdas | - Vice Chairperson of the Board, Chairperson of the CSR Committee |
| Shri Bimal L. Goculdas | - Managing Director and CEO, Chairman of Risk Management Committee, and Key Managerial Personnel |
| Shri Dilip T. Gokhale | - Executive Director and Key Managerial Personnel |
| Shri Madhu T. Ankleshwaria | - Independent Director |
| Shri Sanjeev V. Joshi | - Independent Director, Chairman of Audit Committee and Independent Directors Committee |
| Shri Mukul M. Taly | - Independent Director and Chairman of Nomination & Remuneration Committee |
| Dr.(Mrs) Janaki Ashwin Patwardhan | - Independent Director |
| Shri Sunil Kumar Goyal | - Chief Finance Officer, Key Managerial Personnel |
| Shri Omkar Mhamunkar | - Company Secretary & Compliance Officer, Key Managerial Personnel |
| Shri Rahul Gautam Divan | - Partner of Rahul Gautam Divan & Associates, Chartered Accountants, Statutory Auditors |
| Shri Satish Kumar Jain | - Proprietor, SKJ & Associates, Company Secretaries |

Shareholders and moderators of the 102nd AGM from Link Intime India Private Limited (RTA)

The 102nd Annual General Meeting started at 11:30 a.m. (IST) and concluded at 12:44 p.m. (IST) including 15 minutes provided for e-voting after the conclusion of the AGM

Moderator

Good Morning Ladies and Gentlemen.

I welcome you all to the 102nd Annual General Meeting of DMCC Speciality Chemicals Limited. Now I hand over the proceedings to the Company Secretary.

**Omkar
Mhamunkar
(Company
Secretary)**

Dear Members.... Good morning.... The time is 11:30 AM now.

On behalf of DMCC Speciality Chemicals Limited (Formerly known as “The Dharamsi Morarji Chemical Company Limited”), I Omkar Chandrakant Mhamunkar, Company Secretary, welcome you all to the Hundredth and Second (102nd) Annual General Meeting i.e AGM of your Company.

In view of relevant circulars issued by the Ministry of Corporate Affairs and SEBI, the AGM is being conducted through the Video Conferencing facility on the WebEx platform (VC). The Venue of AGM shall be deemed to be the Registered Office of the Company.

Before we start the proceedings of this AGM, I would like to take you through certain points regarding the process to participate at this meeting through Video Conference i.e. VC. The facility to join this AGM through VC has been made available for members on a first come first served basis.

The members who have joined this meeting by default are kept on mute mode, to avoid any disturbances arising from background noise and to ensure seamless conduct of this meeting. We have some shareholders, who registered themselves as Speakers, and we will take this up in the later part of this meeting. Apart from that, if any shareholder would like to ask any question, kindly write the same in your chat box and the same will be answered in the question & answer session in the best possible manner.

The proceedings of this meeting are being recorded. During the meeting, the participants would be on mute.

The Company has availed the facility of webcasting of this AGM through Link Intime India Private Limited, the Company’s RTA.

The facility of remote e-voting prior to the AGM as well as the e-voting during the AGM is also being provided by our RTA.

The members can join the AGM through VC 30 minutes before and 15 minutes after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice.

Members are advised to join the meeting by using their laptops and headphones with an internet connection having a better speed to avoid any interruption or disturbance during the Meeting.

As mentioned in the notice, the facility of participation at the AGM through VC has been made available.

As you all know, this Meeting is held through the VC, the provisions pertaining to Proxies are not applicable.

We had given an opportunity to the shareholders to register themselves as Speakers and ask any questions till 7th September 2023, by sending email at Company's dedicated email id i.e. investor@dmcc.com

We have thus received requests from 12 (no. of shareholders) and accordingly plan to give them an opportunity to speak. The names of such shareholders will be called during the course of the Meeting.

The facility to inspect the documents by the Members is also available during the Meeting, on logging on to the website of the Link Intime i.e. <https://instameet.linkintime.co.in>

The Company had provided members the opportunity to cast their vote(s) on the resolutions contained in the AGM Notice, by means of remote e-voting.

The remote e-voting commenced on Saturday, 9th September, 2023 at 09.00 a.m. and closed on Monday, 11th September 2023 at 5.00 p.m.

Members present at the Annual General Meeting today may cast their votes through voting on e-voting platform of Link Intime.

The e-voting platform is open now for voting and will close after 15 minutes from the time of closure of this meeting.

During the AGM, if any member faces any issue or requires any assistance relating to e-voting or VC, he or she may contact the helpline number as mentioned in the AGM Notice.

The Company have appointed Shri Satish Kumar Jain, Proprietor of SKJ & Associates, Practicing Company Secretaries, as the Scrutinizer to scrutinize the votes cast through remote e-voting and e-voting during this AGM.

The Scrutinizer will scrutinize the voting results and submit the report within two working days. The results of the voting will be announced by posting it on the website of the Company at www.dmcc.com and the website of stock exchanges i.e. BSE and NSE on www.bseindia.com and www.nseindia.com respectively, and on the website of RTA.

The Company has made all efforts feasible to enable the members to participate in the meeting through the VC and vote electronically. So

far the 52 members are present which meets the quorum as required. I now request Chairman Sir to formally commence the proceedings.

**Laxmikumar N.
Goculdas
(Chairman)**

I confirm that the requisite quorum is present and now I declare the Meeting to be in order and open.

**Omkar
Mhamunkar
(Company
Secretary)**

Thank you Sir. We have with us our distinguished Board members, our Key Managerial Personnel, and our Auditors. I will now call the names of each of them. They are requested to introduce themselves when called, by mentioning their name, designation and location from where they are attending the meeting.

Starting with Chairman Sir.

Shri Laxmikumar Narottam Goculdas
Good morning to all ... I am **Laxmikumar Narottam Goculdas**, Chairman of the Board, Chairman of the Shareholders Relationship Committee, attending this meeting from **Mumbai**.

Thank you Sir

Ms. Mitika Laxmikumar Goculdas
Good morning to all ... **I am Mitika Laxmikumar Goculdas**, Vice Chairperson of the Board and Chairperson of the CSR Committee, attending this meeting from **Mumbai**.

Shri Bimal Lalitsingh Goculdas
Good morning everybody... **I am Bimal Lalitsingh Goculdas**, Managing Director and CEO and Key Managerial Personnel of the Company and Chairman of the Risk Management Committee, attending this meeting from **Mumbai**.

Shri Dilip Trimbak Gokhale
Good morning everybody... **I am Dilip Trimbak Gokhale**, Executive Director and Key Managerial Personnel of the Company, attending this meeting from **Mumbai**.

Shri Madhu Thakorlal Ankleshwaria
Good morning to all ... **I am Madhu Thakorlal Ankleshwaria**, Independent Director, attending this meeting from **Mumbai**.

Shri Sanjeev Vishwanath Joshi
Good morning to all ... **I am Sanjeev Vishwanath Joshi**, Independent Director, Chairman of the Audit Committee and Chairman of Independent Directors Committee, attending this meeting from **Mumbai**.

Shri Mukul Manoharlal Taly
Good morning to all ... **I am Mukul Manoharlal Taly**, Independent Director, Chairman of Nomination & Remuneration Committee, attending this meeting from **Mumbai**.

Dr. (Mrs) Janaki Ashwin Patwardhan
Good morning to all **I am Dr. Janaki Ashwin Patwardhan**,
Independent Director, attending this meeting from **Mumbai**.

Shri Sunil Kumar Goyal
Good morning to all ... **I am Sunil Kumar Goyal**, Chief Finance
Officer and Key Managerial Personnel of the Company, attending
this meeting from **Mumbai**.

Shri Rahul Gautam Divan
Good morning everybody ... **I am Rahul Divan**, Statutory Auditor
of the Company, I am attending this meeting from my office in
Mumbai.

Shri Satish Kumar Jain
Good morning to all **I am Satish Kumar Jain**, Proprietor of SKJ
& Associates, Company Secretaries and Secretarial Auditor of the
Company and Scrutinizer of the e-voting process attending this
meeting from **Mumbai**.

Good Morning to all I am Omkar Chandrakant Mhamunkar,
Company Secretary and Compliance Officer and Key Managerial
Personnel of the Company attending this meeting from Mumbai.

**Omkar
Mhamunkar
(Company
Secretary)**

Notice of this Meeting along with the Annual Report for the financial
year 2022-23 containing the audited Standalone and Consolidated
financial statements for the year ended 31st March, 2023 along with
the reports of the Board of Directors and Auditors thereon have been
emailed within the statutory period to all the shareholders whose
email IDs are registered with their respective depository participants
or the Company or with the Link Intime India Private Limited.

I now request our honourable Chairman Sir, Shri Laxmikumar
Narottam Goculdas, to address the members.

**Laxmikumar N.
Goculdas
(Chairman)**

Dear Shareholders, Ladies & Gentlemen,

Very Good Morning to all of you!

Very Good Morning to all of you! And warmly welcome each one
of you to the **Hundredth and Second (102nd) Annual General
Meeting** of your Company, being conducted virtually.

Last year name of your Company is changed to DMCC Speciality
Chemicals Limited and with this new name we have also unveiled
our new Logo and we have received very positive response from our
Stakeholders. The Inside First Page of our Annual Report provides
rational of our new Identity, I want you to have a look on it.

Since I have already shared my thoughts on Page No. 20 and 21, I
would like to keep my speech brief.

I am sure that, all of you have gone through the Annual Report for FY 2022-2023, comprising of our Financial and Operational performance and also our efforts towards sustainability.

The Directors' Report and the Audited Accounts for the Financial Year ended 31st March, 2023 have been with you and, with your consent, I shall take the Notice of this Hundredth and Second (102nd) AGM (**On page 47**) and the Board's report (**on page 60**) which has been circulated to all shareholders, as read.

The secretarial auditor's report is enclosed as **Annexure III** of the Board's report **on page 74** of the Annual Report. I shall take them as read.

The Statutory Auditor's report on the Standalone and Consolidated financial statements are available on page numbers **124 and 167** respectively of the Annual Report. The Statutory Auditor's report on the financial statements of the Company for the financial year 31st March 2023 do not contain any qualifications, observation, comments or other remarks. These are also being taken as read.

Now let me briefly touch upon the overall economic environment before I share my thoughts on your Company's performance in FY23.

The year 2022-23 was definitely a challenging year. High inflation rates across developed economies and successive interest rate hikes have considerably slowed demand for products across categories especially discretionary spending. Geopolitical issues and tightening global financing conditions that could exacerbate debt distress continue to pose significant risks to the global economic outlook. Financial markets also remain vulnerable to sudden repricing in response to adverse inflationary news, while geopolitical fragmentation is still a material concern.

From last couple of years, the word "**VUCA World**" which is abbreviation of (Volatility, Uncertainty, Complexity and Ambiguity) is the trend and we have no option but to live with it and deal with it effectively. Our Annual Report Cover Page theme for the year FY23 aptly describes it "**Navigating Uncertainty with Resilient and Purpose**".

In a summary, I would say India's economy has remained robust, defying global economic headwinds, and is poised for strong growth in the coming year. While inflation remains a concern, the Indian economy's resilience is a testament to its strong fundamentals and its ability to weather global economic shocks.

FINANCIAL PERFORMANCE

I am sure you all would have gone through the Financial and Operational performance as reported in the Annual Report, and let me give you a quick review of the same.

On a Consolidated basis, the Company recorded a strong growth in revenues, as it increased from **Rs. 326.30 Crores** in **FY22** to **Rs. 384.60 Crores** in **FY23**, with a growth Year on year growth of **17.87%**. This growth was on the back of higher realizations of Volumes. The economic slowdown coupled with high interest rates in various economies lower consumption and intensified competition due to China's operating at full capacity, the product margins have been affected remarkably, however, despite these odds, the company has been able to achieve and maintain the EBITDA on consolidated basis at **Rs. 38.78 Crores** in **FY23** as against **Rs. 46.71 Crores** in the **FY22**.

SUSTAINABILITY

Regarding Sustainability, I would like to state that our Vision, Mission, and Values encapsulate the Principles of Sustainability. At DMCC, we understand that we are not just a Company operating in a vacuum, but an integral part of the larger community and the environment. That's why we have made it our mission to operate in a manner that is responsible, sustainable, and ethical. As a testimony to our efforts, we are proud to be amongst the handful of companies in the country authorized to use the Responsible Care® logo, which signifies our commitment to the responsible management of chemicals throughout their life cycle.

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 and accordingly during the FY 2022-23, the Company has spent Rs. 65.22 lakhs towards CSR.

OUTLOOK

As we embark on newer and bigger prospects, we reaffirm our commitment to our key stakeholders and request their vote of confidence in us. We assure that we will continue to pursue sustainable growth, which looks beyond short-term profit and financial numbers to consider our impact on the environment and our long-term viability. We are committed to building a legacy that will endure for the next hundred years and beyond.

ACKNOWLEDGEMENT

I thank you all my shareholders, for their continued trust, encouragement and unequivocal support to the Company and its Management, thanks for staying invested in DMCC.

Also, I would like to express my gratitude towards our Board Members for their constant guidance and support in our pursuit of maximizing long-term shareholder value and I must acknowledge the significant contribution of our employees, customers, and all stakeholders for their laudable efforts to maintain business continuity in this tough and uncertain environment.

Thank you All.... Stay Healthy. Stay Blessed.

Over to Company Secretary.

**Omkar
Mhamunkar
(Company
Secretary)**

Thank you, Chairman Sir.

In terms of the provision of the Companies Act, 2013, and SEBI's listing regulations, members holding shares as on **5th September, 2023**, are entitled to exercise voting on the resolutions contained in the notice dated 9th August, 2023. Shareholders holding shares as on the cut-off date were provided option to cast their votes remotely from 9th September, 2023 from 09.00 a.m. to 11th September, 2023 upto 05.00 p.m., by logging into the e-voting platform of Link Intime India Private Limited.

In view of remote e-voting and as per standard 7.1 of the Secretarial Standard on General Meetings, proposing and seconding the following resolutions is not required.

There are total **5** resolutions to vote. Before putting the resolution to vote, I would like to brief you on the resolutions.

Ordinary Business:

- 1. Resolution No. 1:** To receive, consider, and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2023 together with the Reports of the Board of Directors and the Auditors thereon.
- 2. Resolution No. 2:** To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 together with the Report of the Auditors thereon.
- 3. Resolution No. 3:** To appoint a director in place of Ms. Mitika Laxmikumar Goculdas (DIN: 02879174), who retires by rotation, and being eligible, offers herself for re-appointment.

Special Business:

- 4. Resolution No. 4:** Ratification of Cost Auditor's Remuneration for FY 2023-24.
- 5. Resolution No. 5:** Continuation of directorship of Shri Madhu Thakorlal Ankleshwaria (DIN: 02753794), as an Independent Director of the Company.

E-voting is now open and Members may please go to the page of Instameet website of Link Intime India Private Limited and cast their vote and at the same time watch the proceedings of the meeting. The e-voting facility will remain open up to 15 minutes after the conclusion of this meeting to enable Members to cast their vote. Instructions for casting vote electronically during the AGM forms part of the Annual General Meeting Notice.

Over to the Chairman

**Laxmikumar N.
Goculdas
(Chairman)**

I would like to invite queries from the members on the business items. I request the Company Secretary to moderate the queries from the members.

**Omkar
Mhamunkar
(Company
Secretary)**

Thank you, Chairman Sir. We will now unmute the members who have registered themselves as speakers. Members are requested to ask their queries when called for. Members are requested to keep their queries short to provide equal opportunities to other members.

To avoid repetition, the answers to all the questions will be provided towards the end. Members may also note that the Company reserves the right to limit the number of members asking questions depending on the availability of time.

Now I request the first speaker to put forth the question.

Moderator

Thank you, Sir, now I invite our first Speaker Mr. Bimal Kumar Agrawal

**Bimal Kumar
Agrawal**

Hello, can you hear me, Good Morning to everyone, first of all, I thank the Company Secretary, his team, management and staff and Shareholders also.

As Chairman has already explained beautifully, I have nothing to ask. That's all from me.

Thank you very much and please always keep the meeting online, VC. Thank you very much.

Moderator

Our next Speaker Mrs. Smita Shah

Mananiya Chairman Shri Laxmikumar ji, Vice-Chairperson Mitika ji aur anya sabhi upasthith mananywar Directors, aap sabhi ko Mumbai se Smita Shah ka Saadar Pranam.

Aur sir pehle toh mein Omkar ji ka bhaut mein aabhar manti hu ki aj unhone hamein aapke saath baat krne ka mauka diya, aur link bhi bheji aur hamari request karne par hamein physical copy bhi bheji toh unki umda good Investor services, shareholders' services ke liye mein unki prashansa karti hu. Mein Omkar ji ko bahut bahut dhanyawad aur abhinandan karti hu.

Sir mein aapko bhi aaj ki 102nd apni jo AGM hai, toh uski bhi mein hardik badhai dete hue, mein bahut bahut abhivadan karti hu ki aapne 100 saal purani company ko market mein apna naam bana kar sambhal kar rakha hai, wohi aapki ek sarahana karne jaisi baat hai.

Sir Zindagi kaaton ka safar hai, hosala iski pehchaan hai aur raste par sabhi chalte hai lekin sir jo insaan uss raste par chalna sikhta hai aur sir yahi aapne karke dikhaya aapko, sir mein toh aapko salute krti hu ki saalo purani aj aapne company sambhal kar rakhi hai aur saath mein madam Mitika ji toh Laxmi ji hamare Board par hai aur Laxmikumar ji aapka naam bhi Laxmikumar hai jo sone pe suhaga hai, toh company hamesha chamakti dhamakti rahegi.

Mujhe toh apni Company ka bright future nazar aa raha hai, ki jarur hamari company bahut chamakane wali hai or chaand jesi ujjwal hone wali hai. Sir yeh mera poora vishwas hai, aap aage bhi return de paaye yeh meri shubhkamna aapke saath hai ki aap bas har dum safalta ki manzil chadte rahe aur aage badhte rahe aur itni saalo purani company hai toh hmara bharosa bhi utna hi purana hai aapke upar, hamari takat badhti hai jab hum himmat karte hai, ekta badhti hai jab hum ek jut hote hai, toh sir hardam hamara bhi aapke saath support hai, toh sir aaj sabhi resolution mein mera fully support hai aur sir meri ek request hai ki corona ke pehle aap ek visit bhi karana chahte the aur in between jo corona aagaya toh hamari visit bhi cancel hogyi thi, toh sir meri request hai ki abhi iss time aap diwali ke baad one visit jarur karane ki kripa kare aur bas meri aapko bahut bahut subhkamnaye aur aane wali sabhi tyoharon ki bhi mein subhkamna karte hue sir meri humble request hai sir abhi yeh VC madhyam ka koi jaruri nhi hai, toh abhi toh hum 4 saal se jo VC madhyam se mil rahe hai, toh hamari duri ban gayi hai, toh abhi hume rubaru milne ki tamanna hai, toh sir next year physical AGM jarur rakhe, bas meri hardam bhagwan ko prathna hai ki sada aap rahiyein good health wealth ke saath aur next year jarur hum khushiyo ke saath rahenge hum physical AGM mein saath saath. Bahut bahut dhanyawad sir.

Sir Bharat Shah baat karte hai Chalu rakhiya. Thank you Sir, Sir chalu rakhiye.

Hello, Mananiya Chairman ji, MD ji or anya Mananiya Director, Sir mein barso se aapka shareholder raha hu, barso se AGM attend karta hu, bahut acchi se aap Company chala rahe ho, bahut bahut dhanyawad deta hu sir aur sir bas apni company bahut aage badhe ye ishwar ko meri prathana hai aur sir corona ke pehle aapne factory visit declare bhi ki thi aur leke jaane wale the lekin who corona ki wajah se aapne cancel kiya tha aur abhi toh corona nahi hai toh ye saal factory visit karane ki meri heartily request hai, aur Chairman sir aap bhi hamare saath aana toh bahut anand aayega, meri request hai ki factory visit jarur karaye aur mein Company Secretary, Omkar ji aur unki poori CS team ko bahut dhanyawad deta hu bahut hardworking Company Secretary hai, mere kuch questions hai or jada time na lete hue, mein Company Secretary ji ko milke mein baat krunga aur aapka jada time nhi bigadunga, baki sir resolution mein poora support hai aur aane wale saare tyoharo ki shubhkamnaye deta hu aur sir ho sake toh next year jarur hybrid meeting karna, toh VC madhyam se bhi log judenge aapko rubaru mein bhi hum mil sakegi ki jarur apan jo pehle karte the, toh next time mein jarur rubaru meeting karne ki aapse heartily request hai aur sabhi resolution main mera pura support hai.

Thank you very much. Jay Hind.

Moderator

Our Next Speaker is Mr. Yusuf Rangwala.

Mr. Yusuf Rangwala

(Speech in Hindi Language)

Good Morning Chairman Sir. Hello, Good Morning sir, mein bahar hu aaj aapne vaise last day kyu pakda sir? 12th September mere ko janna hai. Sir first week mein rakho na sir kyuki mera 25 meetings hai aaj ke din mein 25 meeting hai sir, aap aisa kyu kar rahe ho sir, aap acchi company hai sir you are 102 years old sir, company secretary bhi itne acche hai sir, aisa mat karo sir, aaj humko kitna takleef ho raha hai sir, hamara mobile garam ho raha hai sir, next time se physical meet rakhna sir, mein aasha rakhta hu ki Physical meet rakhenge, aur aapne dividend kyu nahi diya? Sir mujhe annual copy nahi mila hai sir hamare share department ko bolo mujhe copy bhejne k liye, sir aapne kitna tak ka dividend dia hai sir. How many % Sir, mere ko abhi batao aapne kitna tak ka dividend diya hai. I would like to know because I have not received the Annual report.

How much dividend you gave for the year Sir.

Sir second question total number of staff kitna hai aur sir aapne last bonus kab diya tha sir abhi apna borax jo hum log banate hai Sir why you are not giving bonus agar aap bonus bole, toh hume ghar ke liye use kar sakte hai sir, ye mera humble request hai Sir.

Aur mein janana chahta hu ki jo factory hai, usme ladies kitna hai or gents kitna hai aur apna link Intime people ki jitna tareef karein utna kam hai aapke they are very hardworking people sir.

Thank you very much, no question, Best wishes next saal esa mat kariye sir it's my humble request sir and factory visit ke liye sir aapko join karta hu sir. Aaj tak Sir mein ne aapka factory visit nahi kia, sir mein aapko humble request karta hu.

Thank you very much sir. Khuda hafiz sir. Thoda sa sher padh kar mein bandh karna chahta hu.

Fulo ki khushbu, kaliyo ki bhagh or apna saath hmesha rahe.

Chairman sir aapke liye Sir kya kehna aap rehte hai toh fool chamakte rehte hai. Chairman sir I am very happy and very proud to be the shareholder of this company.

Jay hind sir.

Moderator

Our Next speaker is Mrs. Lekha Shah.

Mrs. Lekha Shah

Hello can you hear me sir. Thank you Sir. Respected Chairman Sir, Board of Directors. Good Afternoon all of you. Myself Lekha Shah from Mumbai.

First of all, I am very much thankful to our Company Secretary, Omkar ji for sending the AGM Notice well in time. I thank again Company Secretary Omkar Ji for best performance, and always outstanding support for my any doubts. I find the report is very useful with lot of information.

Thank you Chairman sir for explaining us about the Company. Sir, I pray to God that he always showers his blessings upon you.

Chairman sir I am confident that with your vision and determination we believe our Company will reach greater heights. And also I pray to God our company should progress more and more under you and your team Sir. Sir, I would like to ask few questions:

My first question is What is our order book positioning in the domestic market & expansion plan in next 2 years?

My second question is How many scientists and researchers are professionally working in our R&D centers?

My third question is How our Company plans our future growth in chemical Sector?

Chairman sir I hope Company will continue the VC meeting in future. Sir I strongly and whole heartedly support all the resolutions for the today's meeting and my best wishes always for the Company and its prosperity.

Thank you so much sir.

Moderator

Next Speaker is Mr. Santosh Kumar Sarraf.

**Mr. Santosh
Kumar Sarraf**

(Speech in Hindi Language)

Hello, Shriman Sabhapati ji, upastith sadyasagan, adhikargan, karamcharigan, mein Santosh Kumar Sarraf aap sabhi ko namaskar karta hu, meri awaz aa rhi hai na moderator? Aasha karta hu aap sab ache swasth mein aur ache se honge. Mein Company Secretary secretary or unki team ka bhi dhanyawad karta hu jinhone hume link provide kiya Sir aur saath mein karamchari bhai behen aur worker logo ka bhi aabhar prakat karta hu jinka yogdan hamare company ki growth mein kaafi raha aur prathna kart hu ki aap ache se kaam kariye or management humko acha result dega apko bhi dega aur hume dividend bhi dega sir.

Sir mein yeah janana chahata hu ki ye Chemical industry hai isme worker ki safety ke liye kya kadam uthaya hai Sir.?

Or dusara Rain Water Harvesting ke liye kya kadam uthaya?

Renewable energy ke liye kya kadam uthaya iske bare mein batayie sir aur Insider trading rokne ke liye aap kya kadam utha rahe iske baare mein bataye Sir.

Chemical Industry hai isily aap kahenge ki female employees jyada nhi rakhte, lekin sir Nari Shakti mein abhi bhaut josh hai sir, sir aap inhe chemical industry mein kuch mauka dijiye, wo apna bhaut acha hunar dikhayegi, idhar women empowerment karne ki jarurat hai sir.

Aapke yahan women bahut kam hai aur percentage ke hisab se usse badhaiye sir ye request hai, jaise ki Lekha behen ne kaha ki agali bar VC meeting rakhiye Sir mein bhi aagya karunga ki agli saal VC meeting rakhiye jisse mein Kolkata se apne karamchari jo kaam kar rahe unke prati apna aabhar prakat kar saku or unke kaam ki sarahana kar saku aur aapke ache management ki sarahana kar saku. Jyada samay nahi lete hue Financial Year 2023-24 ki aapko aur aapke parivar ko shubhkamnaye deta hu aur Bhagwan se prathna karta hu ki 2023-24 mein aapki family healthy wealthy aur safety ke saath vyatit ho aur agle saal iss request ke saath VC meeting aap rakhiyega hume join karne ka moka denge, physical meeing rakhte hai toh aap VC ka option jarur rakhiyega.

Jay hind Jay Bharat.

Aur mein iss time ke Moderator ka bhi aabhar prakat krta hu inki kabil services, unko bhi continue rakhiyega. Namaskar Sir.

Moderator

Next Speaker is Mr. Rajendra Prasad Joshi.

**Rajendra Prasad
Joshi**

Hello, am I audible, am I visible ma'am, not visible, anyway I will just continue sir Hello ok thank you.

Our Respected Chairman sir Shri Laxmikumar ji Goculdas, our Vice-Chairperson Mitika ji, our MD & CEO Shri Bimal Goculdas, our Executive Director Shri Dilip T. Gokhale ji, Company Secretary Omkar Mhamunkar. Sir myself Rajendra Prasad Joshi speaking from my residence at Mumbai.

Sir at first I appreciate the investor services rendered by Company Secretary Shri Omkar Mhamunkar. I received the physical copy of the Annual Report on my request. Sir annual report is comprehensive, transparent and complies with corporate governance.

Chairman sir, I am very happy to see our previous Company Secretary Shri Dilip T. Gokhale on the board as Executive Director. Sir Shri Gokhale ji has long experience and comprehensive knowledge and serves our company as an invaluable asset. Gokhale sir namaskar ji. Sir, I met you Sir before Corona, so you may not remember me but Sir I am a very very fan of you. Chairman sir despite geopolitical uncertainties and various challenges our company has successfully managed to sustain operational performance with high revenues in 2022-23 from its previous year.

Sir though our Company's bottom line is not up to the mark, management efforts for resilient and sustainable growth are really admirable. Sir, the Company's management is transparent, ethical and accountable in business administration and I hope the company will soon pick up its growth path in future. Sir, I have just two questions to ask you sir.

What new products are in the pipeline under R&D activity?

Second, what is the impact of the slowdown in China on the business of our Company and how the company is managing to deal with the same?

With this, I thank our Chairman, and Company Secretary for giving me this opportunity to speak on the platform and I also strongly support all the resolutions.

Thank you very much, Sir. Chairman sir Thank you, Sir.

Moderator Next Speaker is Mr. Rajat Sethiya.

**Bimal L. Goculdas
(Managing Director
& CEO)** We can see him but can't hear him. We can see him online but can't hear him.

Moderator Mr. Rajat you are in a panel you can speak now.

Rajat Sethiya Hello, can you hear me.

Moderator Yes, you are audible.

Rajat Sethiya Good Morning, actually we have already mailed the questions. So you can explain the questions we have already mailed, thanks.

**Bimal L. Goculdas
(Managing Director
& CEO)** Can you repeat that please?.

Rajat Sethiya Yes, Sir, I have already mailed the questions want to ask the Board.

Moderator There are no other speakers in the panel.
Over to you Chairman Sir.

**Laxmikumar N.
Goculdas
(Chairman)** Now request Shri Bimal Lalitsingh Goculdas, Managing Director and CEO to reply to queries of the members.

**Bimal L. Goculdas
(Managing Director
& CEO)** Thank you, to all of you who have attended this meeting and asked relevant questions. I will try to address them as best as possible.

Regarding the meetings, there was a debate and discussion on Video Conferencing and Physical Meeting and there are pros and cons for both, so I am sure the Board will take that into consideration when we decide on next year's plan.

We have noticed your request for the plant visit, I think those who are interested please send an email to our Company Secretary to co-ordinate and we will be happy to show you the facilities and I think Roha is more convenient for people who are residents of Mumbai. So we will plan a visit to Roha, sometime around November and December but please let us know who's interested so we can make plans accordingly.

In terms of a number of people we have close to 500 nos. and as you all know in a chemical factory I think women working in a plant is not very common, it's not that we don't want them, in fact, our facilities are very safe, we encourage the participation of women wherever possible, in fact I personally ensure that we take women in whatever senior role for example our Head of HR is a lady, we have got independent Director who is a lady, we have got people working in R&D as well as the laboratory, quality control operations, so we are very open and receptive to have women in senior roles, there is no question at all and Vice-Chairperson, in fact, has been for several years a lady, so the thing is that it is difficult to get people and we are working with universities to attract more women talents and talking only about DMCC but as the industry as a whole to try to attract more women into the chemical industry. So we will be more than happy to look at that side.

About the order book, you know, we have a lot of regular business and oversee a lot of contractual business but the order book is more visible for like an engineering company or some other Companies whereas, we have typically orders for the next few months but it would not be for next few years and wherever we are suppliers of

Speciality chemicals it is almost like an ongoing contract so it's not that customers will decide whether or not to place orders with us, if they have a requirement most likely we will be part of their procurement plan. While they may not have long-term visibility for their own consumption and therefore they may not give us that visibility. But let me assure you that whatever products we are in, especially in downstream chemicals, and Speciality chemicals, we are very much part of our customers' procurement plans in the long term.

Also, we have some good questions on the China Issue as well as the impact of geopolitical uncertainty, what's happened in China is that they have restarted their production, but they have not restarted their consumption and I am sure you are all reading the newspaper reports about higher unemployment and the slowdown in China and their debt related issues which are very serious and very large. So couple of the major housing companies and their construction companies are on the verge of default as this resulted in a lot of uncertainty within China itself. The Chinese government does support the chemical industry over there by means of export subsidies, so two things have happened, one is that they have too much production and not enough consumption within China which means they are forced to export even at a low price the second is that the government gives them about 12~14% export subsidy which makes them extremely competitive in overseas market. So this a threat not only for us but the entire chemical industry not only in India but in other countries as well and there is nothing we can do, but we can reduce our costs, increase our competitiveness and look out for other ways to compete. We focus on our reliability and our sustainability actions and things like that, but it is a tough time right now and this is combined with a lot of uncertainty in Europe, which means that their demand overall has come down and we are facing this situation again we DMCC as well as all other chemical Companies. We also believe that there is some impact of de-stocking. Once people see the prices coming down and they don't have a good visibility on demand they reduce their own production and therefore they reduce procurement which results in the overall slowdown. Yet, this is a current situation I have to be very honest with you that all industries are facing this and there is no immediate solution but we believe that de-stocking cannot continue forever and people will start consuming again and people will start building reserves and stocks again and especially in markets such as you know agrochemicals and pharmaceuticals things like that and has to come back. So we are optimistic as you all know we have made the investments and our facility and as and when the market comes back we will be debt servicing.

Regarding Rain Water Harvesting and Renewable energy, we have rainwater harvesting at Roha because they have good rainfall. We are doing about, we have a storage pond of 10 lakh litres and we utilize that during monsoon to reduce our water footprint.

In terms of renewable energy as you all may know we are not burning much fossil fuels as it is, because we have spent a lot of money and resources on building our waste recovery systems from our Sulphuric acid plant. So when we generate steam not by burning coal or furnace oil but it is from waste recovery from Sulphuric acid and we generate power from this as well. So one of the major projects which we have just completed is a Power generation plant at our Roha facility based on wastewater renewal. A similar plant exists at Dahej already. So we will be virtually 80% independent on the electricity grid and we are also almost independent of any fossil fuels for our operations as well.

So we are also continuing to invest to reduce our wastewater and other such things. We have several products which we are working on like R&D in Sulphur chemistry in similar chemistries, the thing is right now we are not seeing the visibility of the bottom line because of the overall slow demand, but we continue to invest in R&D. Last year's figures for actual expenditure of R&D are slightly lower, that's not connected with our R&D team being involved in project commissioning, during this time because our R&D teams also stays involved until the plants are fully commissioned. So the new product investment was slightly less but we are continuing it this year.

We have received certain questions about the Boron Business and we are not going for any major investments in Boron, we are doing some de-bottle necking. We expect to have additional boric acid availability. We have a couple of Indian competitors who are established for several years but we believe our product quality and our brand is amongst the best in India, so we shall be able to compete and the availability of the raw material has improved. I think ocean freights have come down and with the overall slowdown, there is lower demand for the raw materials in other countries. So we will get as much as we need for our operations.

In terms of our expanded operations at Dahej and Roha now, we have about 45 days working capital receivables and we expect this will continue and it's well under control. Domestically it's between 30 to 45 days, and overseas receivables are between 45 to 60 days primarily because of the transit plan.

There was also a question regarding inventory loss. In last year's accounts, we had one particular quarter i.e. the July to September quarter, where the prices of our main raw material Sulphur suddenly crashed and it crashed from a level of about Rs. 38000 per MT to about Rs. 10000 per MT. I have discussed this in some of our conference calls during that time, so that we did take a hit because the customers for sulphuric acid will obviously place orders based on existing prices not on the past historical price and we find that it has now become stable. There are fluctuations but they are moderate and manageable and nothing dramatic like what happened last year. So we don't expect much further in terms of any inventory valuation

issues and at that time as well we were not carrying any unusual inventory, it was about less than one month's stock which is normal for business operations.

In terms of forex, we have foreign exchange earners, so because we have converted some of our term loans into forex loans to take advantage of lower interest rates we find that there is no substantial impact of forex deviations.

We are not raising any more money in terms of debt, there was a question about when DMCC will be debt-free, we are targeting to repay the loans within the next 3 years or so depending on a cash flow from operations and as I mentioned most of our major investment has been completed and we don't need any significant capex in the near future.

I think I have covered all the questions. I thank you all once again for attending and all the queries and if we missed anything please feel free to send it in e-mails with that I would like to hand it over to the Chairman and the Company Secretary.

**Laxmikumar N.
Goculdas
(Chairman)**

As all the queries have been responded and clarified and the business of the meeting is now complete.

This brings us to the end of this meeting. Before I announce the conclusion of this meeting, Members who have still not voted on resolutions are requested cast their votes on the Link Intime e-voting system. The detailed process of voting is already mentioned in the AGM notice. Let me remind you that voting will close after 15 minutes from the time of closure of this meeting now.

The Board of Directors has appointed Shri Satish Kumar Jain, Proprietor SKJ & Associates, Practicing Company Secretaries, as a scrutinizer to supervise the e-voting process.

The resolutions as set forth in the notice shall be deemed to be passed today subject to the receipt of the requisite number of votes.

Now I request our Company Secretary to deliver the vote of thanks.

**Omkar
Mhamunkar
(Company
Secretary)**

Thank you Chairman Sir. Dear Shareholders, I express my sincere thanks for your support and co-operation. I would like to thank all our esteemed Board Members and also to my colleagues. Now I request Chairman to formally declare meeting as Concluded.

**Laxmikumar N.
Goculdas
(Chairman)**

I declare the meeting as concluded. Thank you all. May God Bless you all.