

FORM DPT-1

CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT INVITING DEPOSITS

[Pursuant to section 73 (2)(a) and section 76 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014]

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| 1. GENERAL INFORMATION | | | |
| a. Name of the Company | THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED (CIN : L24110MH1919PLC000564) | | |
| Address | 317/21 Prospect Chambers, Dr. D N Road, Mumbai, Maharashtra, 400001 | | |
| Website | www.dmcc.com | | |
| Contact details | Tel :022-22048881 / 22048882 / 22048883 Fax : 022-22813657 / 22852232 Email: investor@dmcc.com | | |
| b. Date of incorporation of the Company | 25-Sep-1919 | | |
| c. Business carried on by the Company and its subsidiaries with the details of branches or units, if any | The Dharamsi Morarji Chemical Company Limited (DMCC), established in 1919, was the first producer of Sulphuric Acid and Phosphate fertilizers in India. The company at present, is a leading manufacturer of specialty and bulk chemicals with a global footprint and it is a fully integrated specialty chemicals player in sulphur, boron and ethanol chemistry and its products find usage in a wide range of industries such as pharmaceuticals, detergents, dyes, fertilisers, pigments and cosmetics. DMCC takes pride in its 100+ years of expertise in Sulphur chemistry and has also diversified its operations across other downstream products. DMCC exports cost effective and value-added products to more than 25 countries across 6 continents. The Company has its factory located at: (1) Roha: 105, MIDC Industrial Area, Audyogik Vasahat Post Office, Dhataw, Roha 402116, Dist. Raigad, Maharashtra. (2) Dahej: Plot No. CH-5/1 G.I.D.C, Dahej Industrial Estate, Taluka: Vagra, Dist. Bharuch, Gujarat. The Company has its Registered Office (Headquarter) in Mumbai at 317/321, Prospect Chambers, Dr. D. N. Road, Fort, Mumbai – 400 001. Borax Morarji (Europe) GmbH is a 100% wholly owned subsidiary Company in Germany Fehrbellner Pl. 1, 48249 Dülmen, Germany. Primarily it owns registrations for your company's products as per REACH regulations. This is a requirement for sales into the European Union. | | |
| d. Brief Particulars of the Management of the Company | The Company is managed by the Managing Director and Chief Executive Officer under the supervision, directions and control of the Board of Directors. | | |
| e. Name, addresses, DIN and occupations of the Directors | | | |
| | Name | Correspondence Address | DIN |
| 1 | Shri. Laxmikumar Narottam Goudaldas | 317/321, Prospect Chambers, Dr. D. N. Road, Fort, Mumbai – 400 001 | 00459347 |
| 2 | Shri. Bimal Lalitsingh Goudaldas | 317/321, Prospect Chambers, Dr. D. N. Road, Fort, Mumbai – 400 001 | 00422783 |
| 3 | Ms. Mitika Laxmikumar Goudaldas | 317/321, Prospect Chambers, Dr. D. N. Road, Fort, Mumbai – 400 001 | 02879174 |
| 4 | Shri. Sanjeev Vishwanath Joshi | 317/321, Prospect Chambers, Dr. D. N. Road, Fort, Mumbai – 400 001 | 00392020 |
| 5 | Shri. Mukul Manoharalal Taly | 317/321, Prospect Chambers, Dr. D. N. Road, Fort, Mumbai – 400 001 | 01334360 |
| 6 | Shri. Madhu Thakortal Anklshewaria | 317/321, Prospect Chambers, Dr. D. N. Road, Fort, Mumbai – 400 001 | 02753794 |
| 7 | Shri. Dilip Trimbak Gokhale | 317/321, Prospect Chambers, Dr. D. N. Road, Fort, Mumbai – 400 001 | 06734397 |
| 8 | Dr. (Mrs.) Janaki Ashwin Patwardhan | 317/321, Prospect Chambers, Dr. D. N. Road, Fort, Mumbai – 400 001 | 09180182 |
| f. Management's perception of risk factors | Dharamsi Morarji Chemical Company Limited has 100+ years expertise in Sulphur chemistry and has also diversified its operations across other downstream products. The Company is Listed at BSE Limited since 01-March-1959 and on 01-Dec-2021 listed on the National Stock Exchange of India Limited (NSE). The Company has adequate surplus as well as internal accruals for timely repayment of fixed deposits. Barring unforeseen circumstances, the management does not foresee any adverse situation which may affect the repayment of principal amount of deposit or any interest thereon. | | |
| g. Details of default, including the amount involved, duration of default and present status, in repayment of | | | |
| i) Statutory dues | NIL | | |
| ii) Debentures and interest thereon | NIL | | |
| iii) Loan from any bank or financial institution and interest thereon | NIL | | |

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| 2. PARTICULARS OF THE DEPOSIT SCHEME | | | |
| a. Date of passing of Board Resolution | 12th August, 2022 | | |
| b. Date of passing of resolution in the general meeting authorizing the invitation of such deposits | 22nd September, 2021 (100th Annual General Meeting) | | |
| c. Type of deposits, i.e., whether secured or unsecured | Unsecured | | |
| d. Amount which the company can raise by way of deposits as per the Act and the rules made thereunder | Net Worth as on 31.03.2022 is Rs. 193.33 Crores Therefore, amount can be raised from: - Shareholder : Rs. 19.33 Crores (10% of the Net Worth) - Others : Rs. 48.33 Crores (25% of the Net Worth) Total : Rs. 67.66 Crores | | |
| Aggregate of deposits actually held on the last day of the immediately preceding financial year | Rs. 8.13 Crores | | |
| Aggregate of deposits actually held as on date of issue of circular or advertisement | Rs. 8.99 Crores | | |
| Amount of deposit proposed to be raised | Maximum upto Rs. 10 Crores at any point of time. | | |
| Amount of deposit repayable within the next twelve months | NIL deposits are due for repayment till 31st March, 2023. Rs. 20.50 Lakhs are repayable within the next twelve months i.e. from 12th August, 2022 to 11th August, 2023 | | |
| e Terms of raising of deposits: Duration, Rate of interest, Mode of payment and repayment | | | |

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| SCHEME - I: FIXED DEPOSIT SCHEME | | | | | | |
| Type of Scheme | Cumulative Scheme | | | Non-Cumulative Scheme | | |
| Duration | 1 Year | 2 Year | 3 Year | 1 Year | 2 Year | 3 Year |
| Minimum Deposit | The minimum amount of Deposit acceptable will be Rs. 10,000/- . Higher amounts will be accepted in multiples of Rs. 5,000/- | | | | | |
| Rate of Interest | 7.50 | 7.75 | 8.00 | 7.25 | 7.50 | 7.75 |
| Approx. Annual Yield % | 7.71 | 7.98 | 8.24 | - | - | - |
| Interest Payment Frequency | Interest compounded as per calendar quarter, will be payable on maturity date or on the previous business day in case maturity date happens to be a holiday. | | | Interest will be paid at the end of calendar quarters and at maturity or on the previous business day in case end of quarter happens to be a holiday. | | |
| Additional Interest to Shareholders, Existing Employees, Senior Citizen above 60 Years. | 0.25% per Annum | | | 0.25% per Annum | | |
| Mode of payment and repayment | Payment of interest and principal will be made by direct credit in sole/first-named depositor's bank account through ECS/Direct Credit/ RTGS/ NEFT/Cheque. | | | | | |
| f. Proposed time schedule mentioning the date of opening of the Scheme and the time period for which the circular or advertisement is valid | | | | | | |
| Date of opening of the Scheme | From the date of publishing of circular (DPT-1) in newspaper (after thirty days of filing of circular (DPT-1) with the Registrar of Companies) | | | | | |
| Time period for which the circular or advertisement is valid | Till 30th September, 2023 or till the date of next Annual General Meeting of the Company to be held for FY2022-23, whichever is earlier. | | | | | |
| g. Reasons or objects of raising the deposits | For meeting short term / working capital requirement of the Company | | | | | |
| h. Credit rating obtained | | | | | | |
| Name of the Credit Rating Agency | CRISIL Ratings Limited (For Rs. 10 Crores) | | | | | |
| Rating Obtained | CRISIL BBB-/Stable (Assigned)* | | | | | |
| Meaning of the rating obtained | This rating indicates that the degree of safety regarding timely payment of interest and principal is satisfactory. | | | | | |
| Date on which rating was obtained | 7th December, 2021 | | | | | |
| Extent of deposit insurance; Name of the Insurance Company, terms of the insurance coverage, duration of coverage, extent of coverage, procedure for claim in case of default etc. | Not Applicable. As per Companies (Amendment) Act, 2017, provision relating to Deposit Insurance has been omitted vide MCA Notification No. S.O. (E) dated 05/07/2018 w.e.f. 15-08-2018 | | | | | |
| i. Short particulars of the charge created or to be created for securing such deposits, if any | Company is accepting Unsecured Deposit. Hence Not Applicable. | | | | | |
| j. Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons | No. | | | | | |

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| 3. DETAILS OF ANY OUTSTANDING DEPOSITS | | | | | | |
| a. Amount Outstanding | Rs. 8.99 Crores | | | | | |
| b. Date of acceptance | w.e.f. 13th January, 2022 | | | | | |
| c. Total amount accepted | Rs. 8.99 Crores | | | | | |
| d. Rate of Interest | In the range of 7.25% p.a. to 8.25% p.a. | | | | | |
| e. Total number of depositors | 21 Nos. | | | | | |
| f. Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount and duration of default involved | NIL | | | | | |
| g. Any waiver by the depositors, of interest accrued on deposits | NO | | | | | |

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| 4 FINANCIAL POSITION OF THE COMPANY | | | | | | | | | |
| a Profits of the Company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of circular or advertisement | | | | b Dividends declared by the company in respect of the said three financial years; Interest coverage ratio for last three years | | | | | |
| | | | | Particulars | Year ended 31.03.2022 | Year ended 31.03.2021 | Year ended 31.03.2020 | | |
| Particulars | Year ended 31.03.2022 | Year ended 31.03.2021 | Year ended 31.03.2020 | Dividend Proposed/ Paid / Declared | 10% (Proposed by the Board and will be paid if approved by the Shareholder in the ensuing AGM) | 20% (Paid) | NIL | | |
| Profit/(Loss) Before Tax | 6,282.47 | 3,804.66 | 2,588.97 | Interest coverage ratio | 9.77 | 15.18 | 13.73 | | |
| Profit/(Loss) After Tax | 2,136.34 | 3,256.08 | 3,149.30 | | | | | | |
| c A summary of the financial position of the Company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement | | | | | | | | | |
| | | | | In Rs. Lakhs | | | In Rs. Lakhs | | |
| Assets | Year ended 31.03.2022 | Year ended 31.03.2021 | Year ended 31.03.2020 | Equity and Liabilities | Year ended 31.03.2022 | Year ended 31.03.2021 | Year ended 31.03.2020 | | |
| Non-Current Assets | | | | Equity | | | | | |
| Property, Plant and Equipment | 15,839.62 | 9,285.07 | 8,663.16 | Equity Share capital | 2,493.99 | 2,493.99 | 2,493.99 | | |
| Capital work-in-progress | 6,282.47 | 3,804.66 | 876.86 | Other Equity | 16,839.53 | 14,794.28 | 11,967.96 | | |
| Goodwill | 1,465.10 | 1,465.10 | 1,465.10 | Liabilities | | | | | |
| Other Intangible Assets | 41.21 | 14.32 | 19.01 | Non-Current Liabilities | 5,825.77 | 2,184.87 | 2,022.07 | | |
| Deferred Tax Assets | 1,704.65 | 2,381.92 | - | Current liabilities | 13,165.09 | 6,815.50 | 4,670.23 | | |
| Right of Use Assets | 35.79 | 47.72 | - | Total Equity and liabilities | 38,324.38 | 26,288.64 | 21,154.27 | | |
| Other non-current assets | 293.20 | 184.99 | 179.09 | | | | | | |
| Other non-current Financial Assets - Non-Current Investments | 55.85 | 55.85 | 55.85 | | | | | | |
| Current Assets | 25,717.89 | 17,239.63 | 9,895.19 | | | | | | |
| Total Assets | 38,324.38 | 26,288.64 | 21,154.27 | | | | | | |
| d Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement | | | | | | | | | |
| | | | | In Rs. Lakhs | | | | | |
| Particulars | Year ended 31.03.2022 | Year ended 31.03.2021 | Year ended 31.03.2020 | | | | | | |
| Cash Inflow from Operating Activities | 5,056.15 | 3,222.94 | 2,703.80 | | | | | | |
| Cash inflow from Investing Activities | (9,829.20) | (3,955.43) | (1,683.68) | | | | | | |
| Cash inflow from Financing Activities | 4,609.69 | 300.15 | (568.38) | | | | | | |
| e. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Company. | Not Applicable. The Company has adopted Indian Accounting Standards ("Ind AS") from April 01, 2017. Accordingly, the Financial Statements from FY 2017-18 onwards are prepared in accordance with Ind AS, prescribed under Section 133 of the Companies Act, 2013, read with the relevant Rules issued thereunder and the other recognised accounting practices and policies to the extent applicable. | | | | | | | | |

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| 5 A DECLARATION BY THE DIRECTORS THAT | | | | | | |
| a. | the Company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest there on; | | | | | |
| b. | the board of directors have satisfied themselves fully with respect to the affairs and prospects of the Company and that they are of the opinion that having regard to the estimated future financial position of the Company, the Company will be able to meet its liabilities as and when they become due and that the Company will not become insolvent within a period of one year from the date of issue of the circular or advertisement; | | | | | |
| c. | the Company has complied with the provisions of the Act and the rules made thereunder; | | | | | |
| d. | the compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government; | | | | | |
| e. | the deposits accepted by the company before the commencement of the Act have been repaid in full. | | | | | |
| f. | in case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty; | | | | | |
| g. | the deposits shall be used only for the purposes indicated in the circular or circular in the form of advertisement; | | | | | |
| h. | the deposits accepted by the Company (other than the secured deposits, if any, aggregate amount of which to be indicated) are unsecured and rank pari-passu with other unsecured liabilities of the Company. | | | | | |

*The SEBI vide its circular dated July 16, 2021 and April 01, 2022, standardized the rating scales used by the Credit Rating Agencies and accordingly, CRISIL Ratings has migrated the rating for Fixed Deposits (FD) Programme of The Dharamsi Morarji Chemical Company Limited of Rs. 10 Crore to CRISIL BBB-/Stable from 'FA-/Stable'. This migration represents only a recalibration of the rating from one scale to another and does not reflect any change in the credit risk profile of the fixed deposit programme. It is also neither an upgrade nor a downgrade of the rating of the FD programme. Certificate of the Statutory Auditor dated 12th August, 2022 pursuant to the Companies (Acceptance of Deposits) Amendment Rules, 2018, certifying that the Company has not committed default in repayment of deposits or in the payment of interest on such deposits accepted either before or after the commencement of the Companies Act, 2013, is provided below. This circular is issued on the authority and in the name of Board of Directors of the Company, the text hereof has been approved by the Board of Directors by passing unanimous resolution at its Board meeting dated 12th August, 2022 and a copy there of has been filed with the Registrar of Companies, Mumbai, Maharashtra.

Date: August 12, 2022
Place: Mumbai

By Order of the Board of Directors
Omkar Mhamunkar, Company Secretary & Compliance Officer

Certificate of Statutory Auditor issued pursuant to the Companies (Acceptance of Deposits) Amendment Rules, 2018 which came into force on August 15, 2018.
This is to certify that The Dharamsi Morarji Chemical Company Limited has not committed any default in the repayment of the deposits or in the payment of any interest on such deposits accepted either before or after the commencement of the Companies Act, 2013.

For Rahul Gautam Divan & Associates
ICAI Firm Registration number: 120294W
Chartered Accountants
Rahul Divan
Partner
Membership No. 100733
UDIN:22100733AOVYU29276

Date: August 12, 2022
Place: Mumbai