DMCC
SMARTER CHEMISTRY
ESTD 1919

DMCC Speciality Chemicals Limited
Formerly known as The Dharamsi Morarji Chemical Company Limited

Navigating Uncertainty with Resilience and Purpose

Annual Report **2022-23**

Contents

Corporate Overview

pg14
Our strengths

Our Sustainable Growth Model

pg30
Sustainability

Statutory Reports

pg36
Management discussion and analysis

Financial Statements

FY23 performance highlights

Consolidated Revenue

₹384.74 cr
FY23

₹326.30 cr
FY22

18% Y-O-Y

Consolidated EBITDA

₹38.78 cr
FY23

₹46.71 cr
FY22

(16%) Y-O-Y

Consolidated Profit after tax (PAT)

₹6.93 cr
FY23

₹21.34 cr
FY22

(68%) Y-O-Y

DMCC
SMARTER CHEMISTRY

DMCC Speciality Chemicals Limited (formerly known as The Dharamsi Morarji Chemical Company Limited), established in 1919, was the first producer of Sulphuric Acid and Phosphate fertilisers in India. Our longstanding emblem symbolized 'Ship', our brand that became a trusted source for quality Single Superphosphate (SSP).

Over the years, we commercialised processes for downstream sulphur-based chemicals and today, are known as a trusted provider of speciality chemicals. Our journey spanning more than a century has been characterised by learning, evolution, and remarkable expansion. Now, a pivotal juncture arrives wherein we unveil a new identity – one that embodies our products, our rich heritage, enduring client partnerships, and a resolute vision for dynamic growth:

- Yellow stands for the colour of sulphur, our primary offering
- Blue is derived from our old logo; it serves or brand recall and symbolises our strong footing while evolving with the changing times
- Green is formed when the two colours come together; it represents our sustainable processes and practices
- The bond structure of the logo demonstrates our deep-rooted expertise in chemistry. Meanwhile, the organic shapes of these circles reflect our agility and unwavering commitment to adapt to the ever-changing business landscape.

This freshly unveiled logo eloquently captures our profound industry acumen, extensive experience and innovative prowess. It heralds the initiation of yet another prosperous expedition for our stakeholders and the enterprise as a whole.

Forward-looking statement
This document contains statements about expected future events, financial and operating results of DMCC Speciality Chemicals Limited (formerly known as The Dharamsi Morarji Chemical Company Limited), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the management's discussion and analysis of DMCC Speciality Chemicals Limited's Annual Report, FY23.

Learn more on our website
www.dmcc.com

Navigating Uncertainty with Resilience and Purpose

At DMCC, we embrace the belief that navigating through challenging times serves as a true test of our organisation's resilience. We recognise that change is a constant reality, and a Company's genuine strength lies in its adaptability and its unwavering commitment to delivering sustainable value to its stakeholders.

During the tumultuous times that impacted the chemical industry, we understood the importance of preparing ourselves for the road ahead. Nevertheless, we are confident that our 100-year expertise and experience in the industry, coupled with our resilience and purpose, would steer us towards a brighter future. We firmly believe that resilience is not merely about bouncing back, but rather about embracing the opportunity to learn and grow from adversity. Purpose, on the other hand, is the driving force. It entails facing uncertainty with courage and forging ahead with tenacity and determination.

Our enduring journey of resilience and purpose stands as a testament to our unwavering dedication to our stakeholders, customers, and team members. As we embark on the next phase of our journey, we are steadfast in our commitment to uphold this legacy and build upon the solid foundation we have carefully laid. We have faith that with the continued guidance of our purpose and the collective efforts of our remarkable team, we can navigate future challenges with renewed focus and determination.

Forging Ahead with Purpose

Our story began in the year 1919 with a single product and manufacturing unit. We are the first producers of sulphuric acid and phosphate fertilisers in India. Today, we are a fully integrated Speciality Chemical Company that specialises in sulphur, boron, and ethanol chemistry, exporting products to markets worldwide.

Mission

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

We are resolute about our commitment towards the environment and sustainability. Our two state-of-the-art manufacturing facilities coupled with our consistent R&D efforts have helped us to commercialise processes for downstream sulphur-based chemicals, thereby enabling us to offer reliable and cost-effective products and processes to our customers.

Through our unwavering dedication to innovation, quality, and sustainability, we are the leaders in the sulphur based speciality chemical industry. At DMCC, we are more than just a Company; we are a partner on the journey towards a sustainable future.

DMCC in a nutshell

02
Number of Manufacturing units

32
Number of products manufactured

400+
Total workforce

Our **guiding light**

Our Vision is to Harness the Power of **Chemistry** to Create Value for Our Customers, While Upholding Our Merits of **Reliability and Sustainability.**

Sustainability

Acting responsibly and integrating social and environmental principles in our businesses.

We are committed to building a sustainable future for generations to come, and that's why we take our social and environmental responsibilities very seriously. From reducing our carbon footprint to implementing sustainable manufacturing practices, we constantly strive to create a positive impact on the world around us. We believe that responsible business practices can not only make us more profitable but also benefit society and the planet we live on.

Excellence

Create a mutually beneficial long-term relationship with our customers by proactively focusing on their evolving needs and consistently delivering technologically and commercially superior products and services.

At the heart of fostering excellence lies our commitment to delivering exceptional value to our customers. We listen to their needs, understand their pain points, and strive to exceed their expectations. A customer-centric approach drives us to innovate, adapt, and provide top-notch products and services. It is the key to building long-lasting relationships and maintaining a competitive edge in the market.

Integrity

Adhering to the highest standards of ethical and professional conduct.

Integrity is a core value at DMCC. We believe in conducting our business in a transparent and ethical manner, while upholding the highest standards of corporate governance. We are committed to creating a culture of trust and respect, where our employees, customers and stakeholders can rely on us to always act with integrity and honesty. Our unwavering commitment to integrity ensures that we always do the right thing, even when no one is watching.

Customer Satisfaction

Meeting the needs and the exceeding expectations of the customers.

At DMCC, our customers are at the heart of everything we do. We strive to provide them with an exceptional experience, from the moment they contact us to the moment they receive their products. We listen to their needs, understand their challenges, and work closely with them to develop solutions that meet their specific requirements. Our focus on customer satisfaction is what sets us apart and has earned us a reputation as a preferred supplier in the industry.

Trust

Upholding contracts and commitments and maintaining transparency in all stakeholder relationships.

Trust and transparency are the cornerstones of our relationships with our stakeholders. We believe in fostering open and transparent communication, and building trust with our employees, customers, suppliers, and investors. Our commitment to trust and transparency ensures that we operate with integrity and accountability, and that we create long-term value for all our stakeholders.

Growing with Sustainability at the Core

We believe in a growth model that is sustainable and forward-thinking. In line with that, we recognise the importance of building a strong foundation that fosters longevity, innovation, and progress. By consistently innovating and improving, we have positioned ourselves as a leading player in the industry, committed to driving positive change while delivering long-term value for our stakeholders.

1

Our business verticals

Our business comprises two major verticals, each with its unique offerings and value proposition. Through our strategic portfolio offerings, we aim to cater to the needs of a wide range of customers.

pg10

2

Our presence

With a global footprint across various geographies, we have established a strong presence in the markets we operate in. Our extensive distribution network, coupled with a customer-centric approach, has enabled us to cater to diverse customer needs.

pg12

3

Our strengths

Owing to our state-of-the art infrastructure, standing at the back of continuous developments in R&D, we are constantly leveraging on technology, and capitalising on growth opportunities.

pg14

4

Our growth strategy

Our growth strategy revolves around a combination of organic and inorganic initiatives. We aim to expand our product portfolio, increase our market share, and enhance our operational efficiency.

pg18

Diversified **growth engines**

Bulk chemicals

With our presence since 1919, we have built our reputation as the first and most trusted manufacturers of sulphuric acid in the country. Our products are sold domestically, and we have established a strong presence in the market, with almost 50% of our production being sold off in the markets and the rest being consumed captively. Our unwavering focus on quality and timely delivery and customer-centric approach has helped us build a loyal customer base.

FY23 highlights

This rise in contribution of bulk chemicals vertical to the overall top-line can be attributed to the expanded capacities during FY22. During the performance of the bulk chemicals vertical was adversely impacted by various factors. The year began with a record high in sulphur prices, which continued to soar through the first quarter. The prices corrected by more than 60% in the subsequent months, resulting in significant inventory losses as the commodity cycle turned. Additionally, a planned maintenance shutdown was carried out in the third quarter to ensure the plant's long-term viability. Despite the Company ramping up volumes to the maximum capacity in bulk chemicals during the year, the performance did not translate into financial returns due to a significant drop in realisations.

Outlook

The operating environment stabilised in the fourth quarter of FY23, and the Company anticipates a promising recovery in FY24. With no more high cost inventory and a gradually improving operating environment, the Company anticipates a steady performance of the bulk chemicals vertical in FY24.

Bulk chemicals revenue

(₹ in crore)

Finds application in

- Fertilisers
- Detergents
- Dyes and more

Key product offerings

- 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

Speciality chemicals

Ever since 2011, DMCC has shifted its focus on the speciality chemicals vertical. Moreover, given that the products under this vertical garner better margins, the Company is aggressively pursuing to scale it for better profitability. In this vertical the sulphonating agents produced by the Company are skillfully combined with organic substrates like Phenol, Benzene, and Ethanol to manufacture downstream products that are in high demand both domestically and overseas. DMCC has further built a robust supply chain that enables it to export these products to various countries around the world.

FY23 highlights

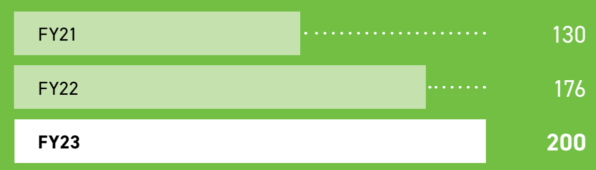
In FY23, the contribution from speciality chemicals remained 52%, a slight decline compared to FY22, primarily due to the commercialisation of incremental capacities only during the second half of the year. Furthermore, the performance of speciality chemicals segment was adversely affected by the sluggish demand across multiple end-use industries, including key consumer markets, such as the US and Europe. This demand slowdown stemmed from a combination of factors, including heightened inflation, and geopolitical tensions in Europe leading to a significant surge in energy costs, at the back of uncertain demand outlook prompting customers to destock their inventory.

Outlook

With an improving demand outlook, the speciality chemicals segment is anticipated to make a higher contribution in the forthcoming years. Overall, the Company's strategic focus on expanding its speciality chemicals business while maintaining scale in bulk chemicals, coupled with its ability to withstand the fluctuations in raw material prices and strong presence in export markets, position the segment favourably for a robust performance in FY24.

Speciality chemicals revenue

(₹ in crore)



Finds application in

- Agro-chemicals
- Detergents
- Dyes
- Pigments
- Pharmaceuticals
- Cosmetics

Key product offerings

- Benzene sulfonyl chloride
- Benzene sulfonic acid
- Phenol sulfonic acid
- Sodium benzene sulfonate
- Sodium phenol sulfonate
- Diethyl sulfate
- Sodium vinyl sulfonate
- Diphenyl Sulfone

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

Mapping our **global reach**

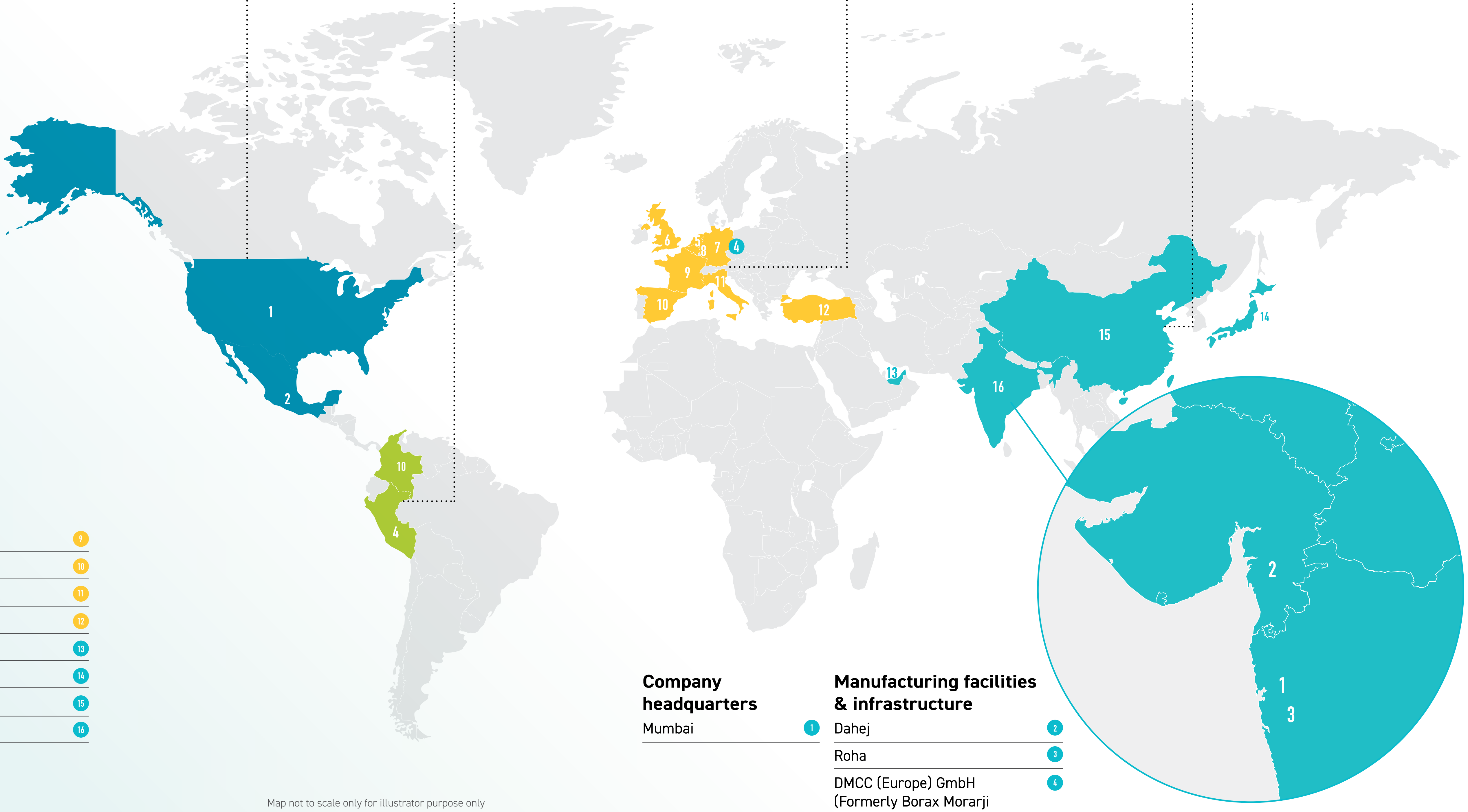
Our strong global presence allows us to serve our customers' requirements effectively. Our focus on building long-lasting relationships with our clients has enabled us to expand our presence in new markets. On the back of a diverse product portfolio and exceptional customer service, the Company plans to capitalise on the opportunities in the previously untapped geographies.

30.16% North America

0.21% South America

63.54% Europe

6.09% Asia



Countries present in

USA	1		France	9	
Mexico	2		Spain	10	
Colombia	3		Italy	11	
Peru	4		Turkey	12	
Netherlands	5		UAE	13	
United Kindom	6		Japan	14	
Germany	7		China	15	
Belgium	8		India	16	

Company headquarters

Mumbai	1

Manufacturing facilities & infrastructure

Dahej	2
Roha	3
DMCC (Europe) GmbH (Formerly Borax Morarji (Europe) GmbH)	4

Map not to scale only for illustrator purpose only

Why DMCC?
A Decision Empowered by Strengths

Our state-of-the-art infrastructure, including world-class manufacturing facilities and R&D capabilities, form the backbone of our operations. Additionally, our agility ensures that we remain nimble and responsive to changing market dynamics.

Infrastructure

One of the key pillars that have given us a competitive edge is our state-of-the-art infrastructure, including our manufacturing facilities and R&D capabilities. These are the backbone of our Company, both of which are designed to cater to the dynamic needs of our clients. With a focus on operational excellence, we have built a robust infrastructure that ensures the highest levels of quality, safety, and efficiency in our operations. With the latest technology, cutting-edge processes, and world-class talent, we now boast an infrastructure that enables us to remain ahead of the curve and stay at the forefront of the industry.

Manufacturing facilities

At DMCC, we have 2 state-of-the-art manufacturing facilities, situated in Roha and Dahej, that are equipped with world-class chemical processing technology. We also undertake toll manufacturing, wherein we manufacture products based on the process details and raw materials provided by the customer, utilising our state-of-the-art facilities. These facilities not only help us reduce our costs but also enable us to deliver products that meet our customers' expectations.

As we are equipped with dedicated manufacturing plants for continuous process-based products, while our multipurpose plants utilise batch processing techniques for customised products. This flexibility enables us to cater to a wide range of customers with different requirements.

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

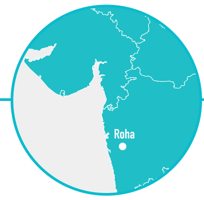
1. Chlorosulphonation
2. Sulphonation
3. Ethylation
4. Methylation
5. Esterification

The DMCC advantage

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

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

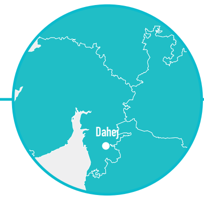
Power of technology: Our facilities are equipped to execute a variety of unit operations with utmost precision and efficiency.



Roha facility

This state-of-the-art facility boasts a pioneering in-house research and development centre, which is integral to our ability to deliver cutting-edge solutions to meet and exceed our customers' expectations.

Commissioned in ***1978***
Sprawling over ***88,355 sq. mt.***
Team strength: ***249***
10 dedicated plants + ***3*** multipurpose plants
Equipped with waste effluent treatment facility: ***ZLD + STP***



Dahej facility

Located in Dahej, this facility was acquired through the amalgamation of Borax Morarji. The facility boasts expertise in handling boron and sulphur chemistry, and stands as a testament to our commitment to innovation and expansion, as we continuously seek to improve our capabilities and offerings in the chemical industry.

Commissioned in ***2013***
Sprawling over ***1,03,327 sq. mt.***
Team strength: ***156***
8 dedicated plants + ***2*** multipurpose plants
Equipped with waste effluent treatment facility with plans for ***ZLD***

Research capabilities

At DMCC, we are committed to manufacturing a diverse range of solutions that meeting the changing requirements of the customers. Our team of highly skilled and experienced professionals, relentlessly strive to develop innovative products that conform to the international quality standards.

Our state-of-the-art R&D centre, located at our Roha unit in Maharashtra equipped with a cutting-edge pilot plant facility. DMCC's products are entirely based on in-house developed processes. Our R&D centre has been recognized by the Department of Scientific and Industrial Research (DSIR), a division of the Government of India, as a testament to our superior technical expertise and outstanding process development capabilities. This prestigious recognition is granted only to select companies that demonstrate unparalleled technical prowess and superior process development skills, making it a significant accomplishment for DMCC.

25
R&D Team strength

Key areas of research
- Sulphur Chemistry
- Boron Chemistry
- Ethanol Chemistry

Products in pipeline →
- Sulfones
- Amides
- Thiols

R&D facilities

- Product development
- Process development for product additions
- New applications for existing products

The scientific expertise

Our R&D capabilities are anchored by a team of 25 highly motivated and experienced scientists and engineers, whose deep understanding of chemistry is the driving force behind the Company's innovative product development.

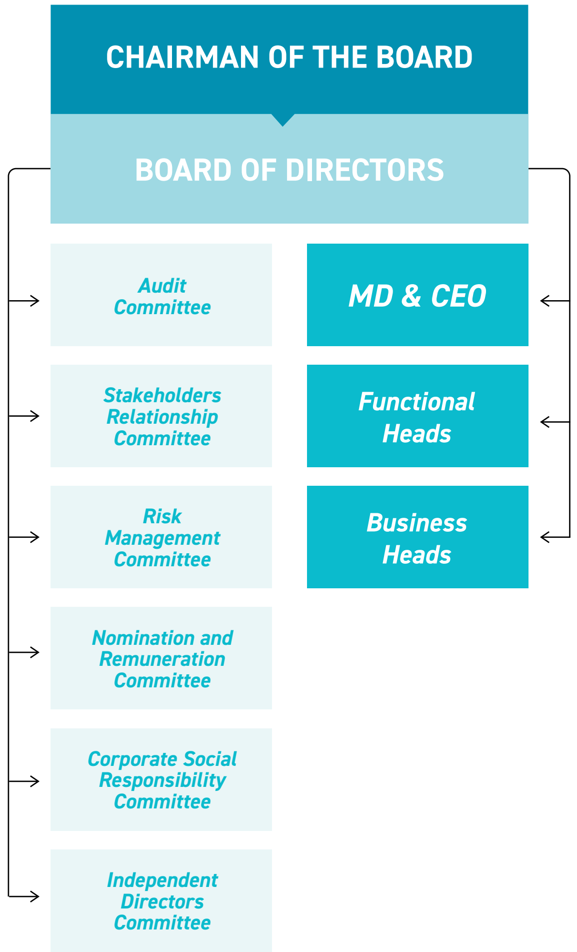
Our highly skilled and experienced scientists and engineers are equipped with the latest analytical and experimental tools, and possess excellent chemistry skills. They work in tandem with our in-house engineering services team to ensure smooth management of our pilot plants and timely production of new products on a commercial scale. The team's ability to develop new processes and troubleshoot existing ones has helped DMCC achieve its goal of becoming a sustainable chemicals Company.

Corporate governance

Our commitment to excellence extends beyond manufacturing and business operations, as it also embodies a strong culture of corporate governance. With a code of ethics and conduct that prioritises integrity, transparency, and accountability, we have set a high standard for ourselves in all aspects of operations. This culture is fostered by a diverse and independent Board of Directors, wherein members bring a range of skills, expertise, and attributes to the table. From chemical industry knowledge to financial acumen, governance, and familiarity with laws and regulations, their skills are broad-based, encompassing several areas of experience.

The Board of Directors operate with the utmost transparency, and their decisions are guided by our commitment to social responsibility and sustainability. This commitment is reflected in our operations and business practices, which prioritises long-term value creation for all stakeholders.

Our Board of Directors are well-equipped to navigate the dynamic and ever-changing business environment, with a keen understanding of corporate restructuring, business administration, strategy, due diligence, and risk management. By fostering a culture of strong corporate governance, we ensure that we are always guided by principles of accountability, transparency, and ethical business practices, which in turn positions us as a leader in its industry.



Board composition and size

At DMCC, we prioritise the principles of good corporate governance, as evidenced by our adherence to the Corporate Governance code under the applicable laws.

Our Board of Directors, under the leadership of Shri Laxmikumar Narottam Goculdas, is a well-balanced team of highly qualified professionals with diverse backgrounds, who bring their unique skills and expertise to guide and govern our operations.

As of March 31, 2023, our Board is composed of eight esteemed Directors, with a perfect blend of two Non-Executive Non-Independent Directors, four Independent Directors, and two Executive Directors. The Board's composition and size align with our values of transparency and accountability, as well as the regulatory framework governing our business. We believe that our Board's diversity of skills, knowledge, and experience equips us to make well-informed decisions that drive sustainable growth and value creation for all our stakeholders.

Responsibilities of the Board includes

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

Cumulative attendance in the Board and Board committee meetings: ***99.64%***
Average tenure of a Director: ***16.14 years***
No. of Board and Board Committee meeting in FY23: ***16***
Term limit for Independent Directors: ***10 years***

Fostering Growth **Unlocking Potential**

We are strategically positioned to capitalise on emerging opportunities in the chemical industry. Guided by a seasoned management team and supported by a highly skilled workforce, we are dedicated to delivering superior performance and creating long-term value for our stakeholders. By leveraging our strong market position, advanced technology, and extensive network of global partnerships, we are poised to unlock new growth avenues and enhance its competitive advantage in the years ahead.

Niche product offerings

We are committed to driving sustainable growth through its unique offerings of niche chemical products that remain largely untapped by other players in the market. Our state-of-the-art backward integrated facilities allow us to achieve cost efficiencies, making us a preferred partner of choice for our customers.

To strengthen our position in the market of niche products, we are focusing on expanding our product portfolio to increase our market share and create long-term value for our stakeholders. Our robust R&D division has helped us to commercialise products that are niche, with little to no competition. We have been successful in manufacturing niche products that remain largely untapped by other players. We aim to capitalise on this by focusing on the speciality chemicals segment, which is expected to witness strong growth in the coming years.

Diversification for sustainable growth

As a leading chemical manufacturer, we have successfully diversified our product suite to cater to the dynamic needs of multinational companies across geographies. With a comprehensive range of chemicals serving various industries, we have mitigated the risk of overdependence on any single industry.

Our commitment to offering high-quality products, implementing best manufacturing practices, adhering to superior compliance standards, and timely deliveries has earned us the trust of multinational companies. Going forward, we will continue to leverage our existing competencies to enhance our product portfolio and further expand the customer base. By adopting a diversified approach, we hope to ensure sustainable growth and unlock greater potential in untapped markets.

Investing in R&D

We have placed a significant focus on R&D, which has been instrumental in driving the Company's growth. With a highly skilled team of R&D professionals, DMCC is committed to consistent efforts in product and process innovation.

One of our key priorities is to explore specific chemistry, building on our expertise in sulphur chemistry. Our focus on this area has opened up new opportunities for us to tap into, while reducing our reliance on limited products. Moving forward, we will continue to refine our skills and knowledge in sulphur chemistry while exploring other avenues to expand into other chemistries.

Leveraging on manufacturing efficiency for improved supply chain

In a bid to improve our manufacturing efficiencies, we, at DMCC are striving to create a more robust supply chain for our downstream products. We believe that this will not only enable us to streamline our operations, but also maintain the high quality standards that we stand for. One key development in this regard is the launch of its new sulphuric acid plant, which will help ensure an uninterrupted supply of raw materials for the downstream products.

Moreover, our focus on backward integration for the speciality chemicals division has enabled us to become a low-cost manufacturer of these products, thereby ensuring higher margins. By leveraging on our manufacturing efficiencies, we aim to further enhance our operational efficiency and cost competitiveness.

Steadfast in Purpose, **Resilient in Action**

Dear Shareholders,

I hereby present the annual report of DMCC, as we come to the end of yet another year. Your trust in our vision and our unwavering commitment towards excellence has been the cornerstone of our success, and for that, I extend my heartfelt gratitude to all our stakeholders.

Despite the unforeseeable circumstances and unprecedented market turbulence, we have worked tirelessly towards our vision of creating a sustainable, empowered, and innovative community that not only thrives in the present but is also geared towards a better future. While the financial metrics may not have been as robust as we would have liked, we are confident that the steps we have taken have put us on the path to recovery, and we will continue to work towards our goals with steadfast determination.

Driving long-term growth

The journey of DMCC has been an embodiment of grit, resilience, and innovation. With the founding principles of sustainable growth and societal development, we have always strived to lead the way in the chemical industry. With unwavering commitment to R&D and sustainable production, we have successfully executed our strategies to ensure long-term growth of the Company.

Through the years, DMCC has evolved as a niche speciality chemical manufacturer with core competence in sulphur chemistry and cost-competitive operations. With our relentless focus on innovation and improvement, we have been able to maintain our global leadership position across products, deepening our presence in both domestic and international markets. Our continued expansion plans have further enhanced our capacities, securing our position as a key player in the industry.

Our vision of sustainable growth has helped us achieve this longevity, as we look not only at profit and financial numbers but also our impact on the environment and our long-term viability. We have come a long way, but we are not done yet. We will continue to uphold our founding principles as we pave the way for future growth and success.

Leading by example

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 authorised to use the Responsible Care® logo, which signifies our commitment to the responsible management of chemicals throughout their life cycle.

Furthermore, we are audited under the 'Together for Sustainability' system, which evaluates the sustainability performance of our suppliers. This helps us ensure that our supply chain partners share our values and adhere to the same high standards of sustainable business practices.

"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 believe that this is a critical enabler of our long-term sustainability, as it enhances the stability of the supply chain and reinforces our commitment to environmental, social, and governance (ESG) principles.

Moreover, we are undertaking suitable initiatives to ensure the steady minimization of our carbon footprint. Our goal is to lead by example, and we believe that our industry needs more players with good governance and sustainable business practices. At DMCC, we are perfectly aligned with this reality and are taking strong strides to take charge of the opportunity.

As I come to the end of this message, I feel proud and privileged to lead this organisation. DMCC has achieved remarkable success in the chemical industry, especially in the area of speciality chemicals, owing to the continuous commitment to modernization, expansion, and diversification. Our journey till date has been made possible by the support of our shareholders, customers, suppliers, service providers, employees, and Board of Directors.

"As a globally trusted, integrated player in the sulphur chemistry value chain, we continue to consolidate our position on the back of the strong culture we have been able to foster within the organisation."

As a globally trusted, integrated player in the sulphur chemistry value chain, we continue to consolidate our position on the back of the strong culture we have been able to foster within the organisation. This has enabled us to maintain our leadership position across our products in both domestic and international markets.

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 them 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.

Warm regards,

Laxmikumar N. Goculdas
Chairman

Mitika L. Goculdas
Vice Chairperson

Forging Ahead with **Resilience and Purpose**

Dear Shareholders,

As I articulate this letter, I find myself enveloped in profound gratitude for the unwavering commitment and steadfast support extended by our cherished stakeholders. The collective strength of our shareholders, customers, vendors, bankers, employees, and our Board of Directors has been instrumental in shaping our shared vision and facilitating our journey towards sustainability and growth.

This year, our annual report's theme is 'navigating uncertainty with resilience and purpose', which is particularly relevant in the current global scenario. Despite the unprecedented challenges posed by the pandemic, I am proud to say that we have not only successfully managed to sustain our operations but also continued to stride forth in our unwavering pursuit of excellence.

Challenging industry landscape

The chemical industry grappled with an exceedingly challenging operating environment in FY23, defined by unpredictable variables that necessitated strategic adaptation. This was a year characterised by a noticeable shift towards inventory destocking. Companies, in response to the volatile economic environment, streamlined their inventory to reflect the fluctuating demand patterns.

> *"At DMCC, we strive to be the gold standard in sustainability within the chemical industry. With our dedicated efforts towards reducing carbon emissions, transitioning to non-conventional energy sources, and responsibly managing water and waste, we are well on the path to net zero carbon emission."*

As a result of destocking and the resultant deflated demand, the realisations decreased impacting the performance of the industries. Adding another layer of complexity was the volatile raw material pricing, a consequence of the ebb and flow in global commodity markets, geopolitical discord, and disruptions in the supply chain. Additionally a significant slowdown in the US market and the geopolitical tensions involving Russia and Ukraine created a headwind for the Indian chemical industry. Despite these hurdles, we demonstrated resilience, testifying our ability to adapt and thrive.

Resilience amid volatility

Despite the complex circumstances, our resilience shone through, underscored by our agility to rapidly adjust to evolving market conditions. Our bulk chemicals vertical witnessed significant volatility. The year opened with unprecedented sulphur prices that extended into the initial quarter, then sharply contracted in the subsequent months. This price volatility led to substantial inventory losses as the commodity cycle swung unfavourably. Furthermore, a scheduled maintenance shutdown was necessitated in Q3, momentarily impacting output but ensuring the plant's longevity. Despite the maximisation of volumes in our bulk chemicals operations throughout the year, the financial result was subdued due to a marked decrease in realisations.

Simultaneously, the speciality chemicals vertical experienced its own set of challenges, resulting in a reduced contribution relative to FY22. This reduction was principally attributable to the delayed commercialisation of incremental capacities within the vertical. Additionally, demand across numerous end-user industries, including key markets such as the US and Europe, faced a slump. This contraction was instigated by a range of factors, including rising inflation, geopolitical instabilities in Europe, and the consequential surge in energy costs, leading to a broader demand deceleration which spurred our customers to rationalise their inventories.

Despite these hurdles, our outlook remains positive. As we move into FY24, signs of stability have started to emerge in the operating environment, suggesting an encouraging recovery trajectory. With the absence of high-cost inventory and a relatively favourable operating environment, we expect a steady progression in the bulk chemicals. For speciality chemicals, we envisage a revival as the destocking phase culminates and demand gradually resumes. Our strategic focus on expanding the speciality chemicals vertical and ramping up the utilisations levels set the stage for a strong performance in FY24.

Caring for our planet and people

At DMCC, we strive to be the gold standard in sustainability within the chemical industry. With our dedicated efforts towards reducing carbon emissions, transitioning to non-conventional energy sources, and responsibly managing water and waste, we are now a carbon-negative Company. Our Roha site is already equipped with zero liquid discharge, and we are proud to announce that the Dahej will soon achieve this.

> *"As we move forward, we are confident in our ability to leverage the strong foundation we have built in recent years and seize a multitude of opportunities on the horizon."*

In addition to our commitment to sustainability, we also understand the importance of investing in our employees. At DMCC, we have created a work environment that empowers our employees by providing them with opportunities for continuous learning, development, and professional growth. We believe in integrating employee health, well-being, and personal growth with organisational needs to create a culture that fosters creativity, innovation, and excellence. Our dedicated team works tirelessly to maintain the highest product quality and compliance levels, keeping abreast of emerging developments in today's dynamic and competitive environment. At DMCC, we believe that investing in our employees is an investment in our future, and we remain committed to supporting their growth and success.

Towards a promising future

As we move forward, we are confident in our ability to leverage the strong foundation we have built in recent years and seize a multitude of opportunities on the horizon. Our focus remains on expanding our reach globally, introducing new products and enhancing the share of speciality chemicals to drive profitability. We are committed to sustainable growth, built on the bedrock of our strengths: exceptional customer relationships, the power to innovate and create, manufacturing capabilities that are globally benchmarked and backward-integrated, and an efficient supply chain.

Looking ahead, we believe that our continued focus on these core strengths will enable us to weather the challenges of a rapidly evolving industry and emerge as a dominant force. With our unwavering commitment to excellence and sustainability, we are confident in our ability to deliver long-term growth and success.

In closing, I wish to extend my heartfelt gratitude to all our stakeholders, whose unwavering support has been the wind beneath our wings. It is through your trust and faith that we have been able to weather many storms and emerge stronger than ever. As we look ahead to the future, I implore our valued shareholders to continue to stand by our side as we set sail towards uncharted territories.

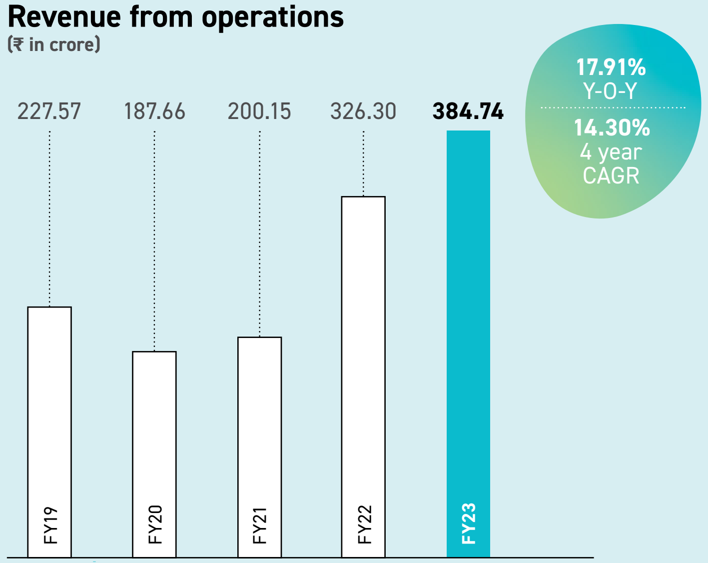
Best wishes,

Bimal L. Goculdas
Managing Director
and Chief Executive Officer

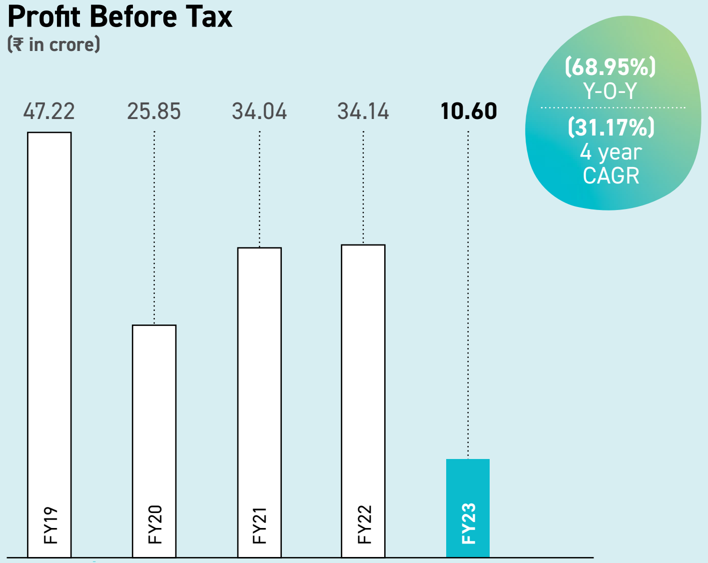
Consolidating **for Future Growth**

For us, this year was a challenging one. However, we embraced the non-linearity in our numbers, communicated transparently about it to our stakeholders, and set a roadmap to bring our operations and performance back to excellence. Keeping our long-term vision in perspective, we have utilised the last couple of years to advance our infrastructure and be prepared for the upcoming opportunities of growth that will lead to value creation for our stakeholders.

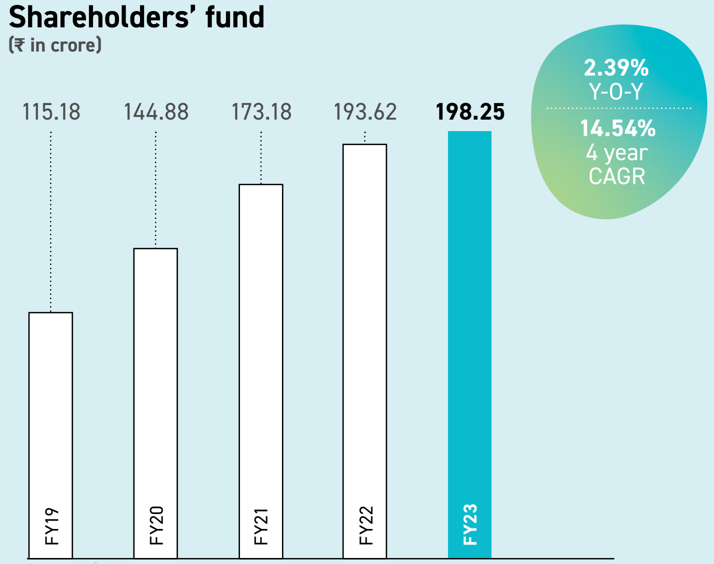
Revenue from operations
(₹ in crore)



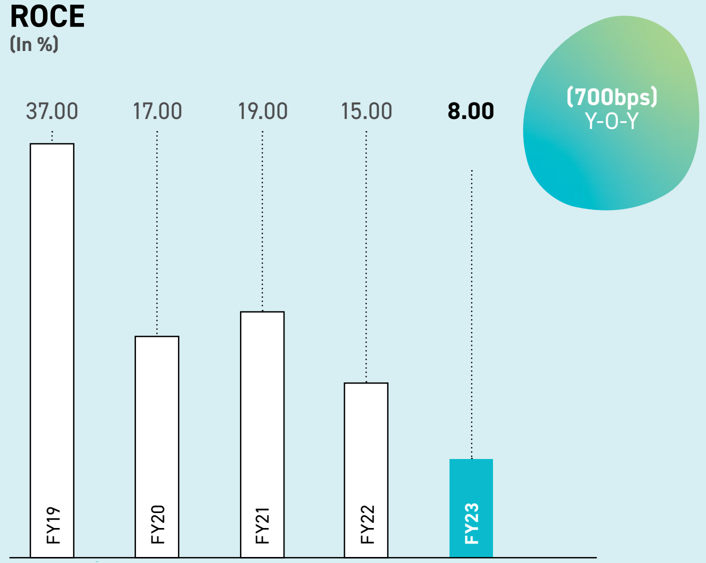
Profit Before Tax
(₹ in crore)



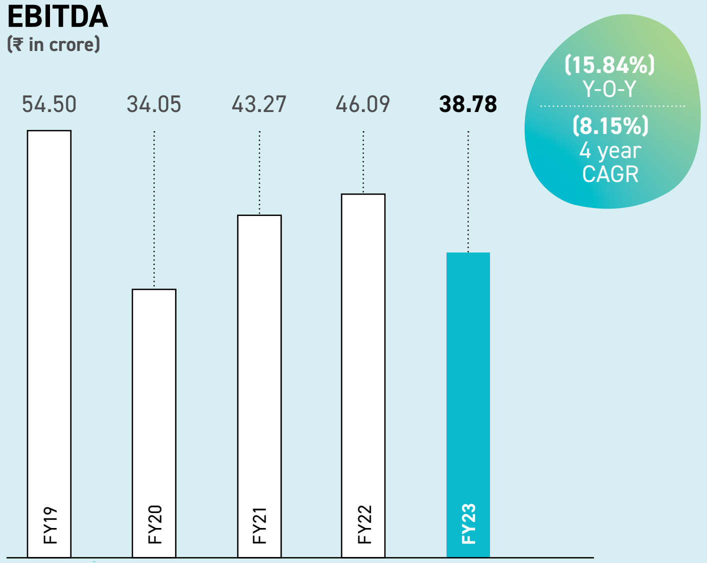
Shareholders' fund
(₹ in crore)



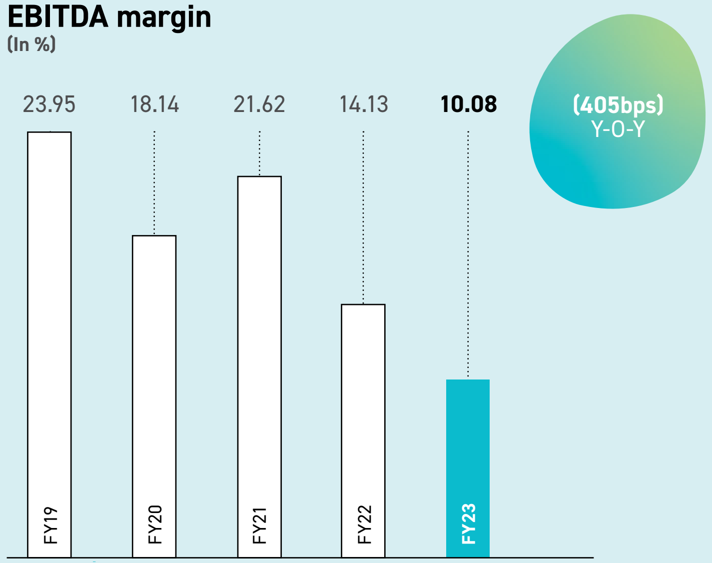
ROCE
(In %)



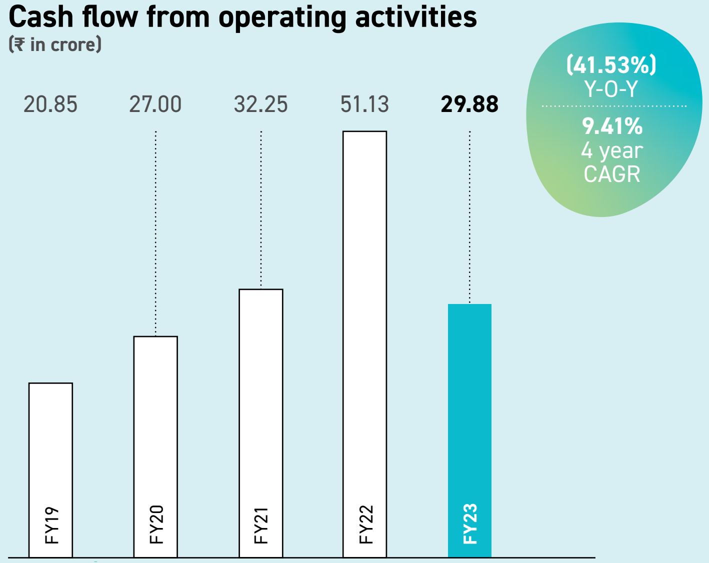
EBITDA
(₹ in crore)



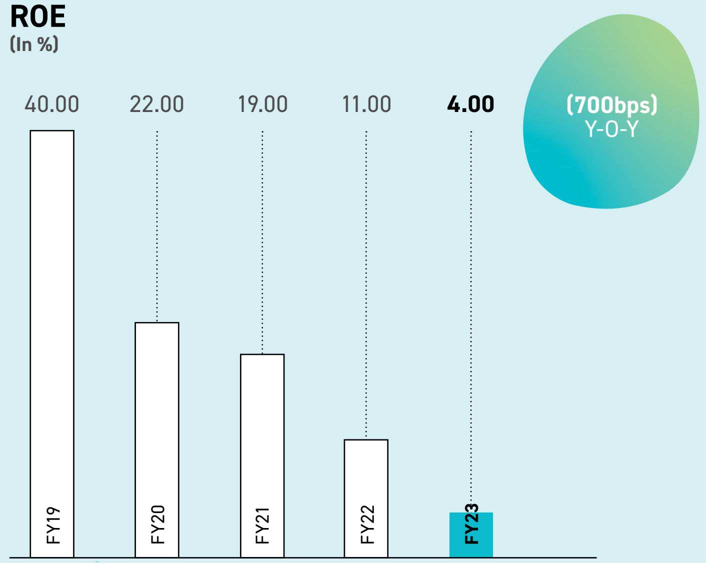
EBITDA margin
(In %)



Cash flow from operating activities
(₹ in crore)



ROE
(In %)

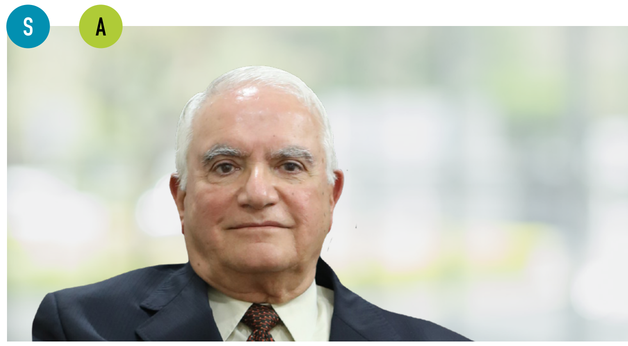


The Board
of Directors

Member ● **Chairman** ●

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

S A



Mr. Laxmikumar N. Goculdas
Chairman

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

C N R

Ms. Mitika L. Goculdas
Vice Chairperson

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

R

Mr. Bimal Goculdas
MD & CEO

Mr. Bimal Goculdas is the Managing Director and CEO of the Company. He oversees and directs the management team towards achieving the organization's strategic objectives. With a Chemical Engineering background and postgraduate qualifications from the USA, he has two decades of illustrious work experience in India and the USA. Mr. Goculdas has been a vital cog in the Company's machinery for over 30 years and has spearheaded diverse functions such as production, technology, supply chain management, domestic and export marketing, and finance, establishing himself as a versatile and dynamic leader.

R

Mr. Dilip T. Gokhale
Executive Director

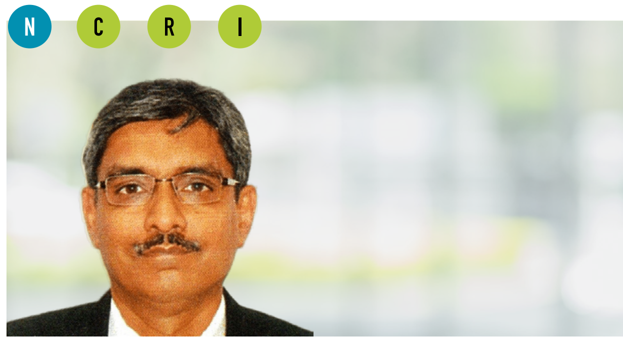
Mr. Gokhale's professional journey spans over 33 years of commendable expertise in a range of diverse fields such as Secretarial, Legal, Corporate Governance, Finance, HR & Administration, Insurance, and Internal Audit. His academic qualifications include B. Com, LLB, CAIIB, and FCS. With his expertise, the Company is well-equipped to navigate the ever-evolving corporate landscape with confidence and finesse.

R I

Dr. Janaki A. Patwardhan
Non-executive Independent Director

Dr. Janaki Ashwin Patwardhan, a distinguished Chemical Engineer with a doctorate from Mumbai University Institute of Chemical Technology, has been associated with the Chemical and Pharmaceutical Industry for over 22 years. She is a highly accomplished Process Engineer, with exceptional expertise in Health and Safety, Plant Design and Techno Commercial Feasibility Studies, ISO Audit, R&D, and has served as an Independent Consultant to various esteemed Companies.

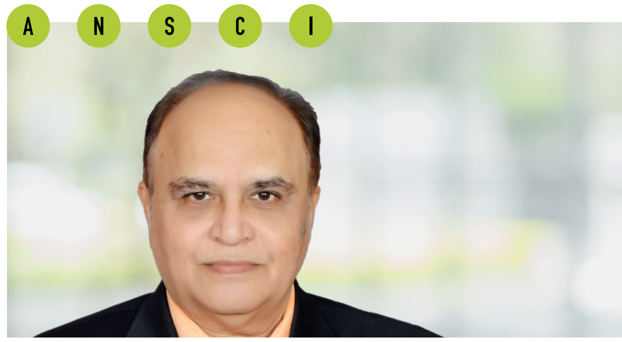
N C R I



Mr. Mukul M. Taly
Non-executive Independent Director

Mr. Mukul Manoharlal Taly, a seasoned legal expert, graces the board as a Non-Executive Independent Director. He holds a Bachelor's degree in Science and Law, and has been practising law for over 38 years, as a Senior in S. Mohamedbhai & Co., Advocate & Solicitors, High Court, Mumbai. His legal acumen has earned him recognition as a Gold Medallist in the University of Mumbai in LLB. His professional experience encompasses a wide range of fields including litigation, legal and regulatory compliance, taxation, insurance, foreign trade, risk management, strategy, finance, international business, and corporate restructuring.

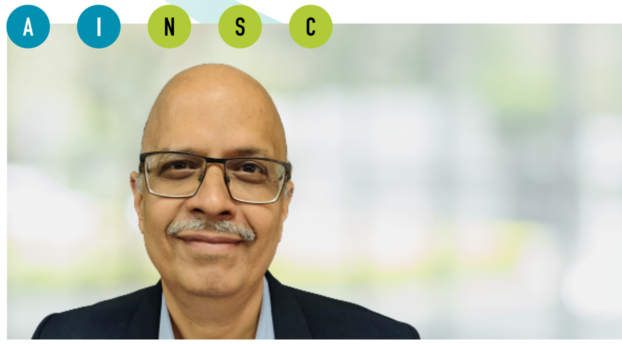
A N S C I



Mr. Madhu T. Ankleshwaria
Non-executive Independent Director

Mr. Madhu Thakorlal Ankleshwaria is a man of deep acumen and erudition. As a practising Chartered Accountant for over three decades, he possesses a wealth of knowledge in Finance and Accounting, Auditing, Internal Audit, Taxation, Foreign Trade, Financial Management, Risk Management, Corporate Restructuring, Due Diligence, Corporate Governance, and Strategy.

A I N S C



Mr. Sanjeev V. Joshi
Non-executive Independent Director

Mr. Sanjeev Vishwanath Joshi is a venerable B. Com graduate and F.C.A. He is a Practising Chartered Accountant for more than three and a half decades. His proficiency in Finance and Accounting, Auditing, Internal Audit, Insurance, Foreign Trade, Taxation, Financial Management, Risk Management, Corporate Restructuring, Due Diligence, Corporate Governance, and Strategy is widely recognized and esteemed.

Leadership **Team**

Mr. Shirish Pandit
Sr. Vice President (Project)

Mr. Shirish Pandit leads the charge for the Company's esteemed Project Division. Armed with a B.Sc. in Chemistry from Mumbai University and an Associate Membership of the Indian Institute of Chemical Engineers (AMIIChE), Mr. Pandit brings a wealth of knowledge and experience in plant operation management, factory operation management, and project management, with a distinguished career spanning over four decades.

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

Mr. Ashok R. Nagarch, serving as the Technical Advisor to MD and CEO, spearheads the esteemed Research & Development team with his exceptional expertise. With almost four decades of prolific experience in the realm of Sulphur chemistry, he boasts a remarkable portfolio of accomplishments and contributions to the field.

Mr. Jitesh Doshi
GM - Marketing (Bulk Chemicals)

Mr. Jitesh Doshi comes with a rich experience spanning about 38 years in the Sales and Marketing of Chemicals. He heads the Sales and Marketing Function of the Company's Bulk Chemical Business. He is responsible for market research, pricing, product marketing, marketing communications, advertising, public relations, sales management, new business development and product development.

Mr. Srinivas Rao
Head - Speciality Chemicals Business

Mr. Srinivas Rao, B SC. (Chemistry-Hons), a PG Diploma in Marketing Management from Welingkar, Mumbai and has an experience of about 29 years heading the Sales and Marketing (Local and Exports) of Speciality Chemicals. He is responsible for market development for the Domestic & International markets and identification of new product opportunities in Speciality Chemicals leveraging all categories.

Mr. S. N. Jadhav
Sr. Vice President (Operations)

Mr. Jadhav, an erudite inorganic chemist, is at the helm of affairs as the Senior Vice President - Operations, overseeing the Roha unit. With a rich experience spanning nearly three decades, he has demonstrated a profound understanding of the nuances of chemical industries, with particular emphasis on the synthesis and application of sulphur-based chemicals.

Mr. Kuldeep Kumar Tiwari
Vice President (Operations)

Mr. Kuldeep Kumar Tiwari, with a profound experience of 24 years, leads the Dahej Unit. As a Science Graduate, he has exhibited his exceptional skills in the domain of project and operations management in the Sulphuric Acid Industry both in India and abroad.

Mr. Sunit Kumar Goyal
Chief Finance Officer

Mr. Goyal brings a wealth of expertise and experience to his role. With a BBA degree, coupled with being a qualified Chartered Accountant and Company Secretary, he possesses a strong foundation in corporate finance, project finance, treasury management, forex, banking, taxation, audits, and other related domains. With experience spanning 14 years across various industries, he has consistently demonstrated his proficiency in these areas. Mr. Goyal, further has a deep understanding of computerised accounting systems, including SAP HANA, SAP B1, tally, and others, enabling him to effectively navigate and leverage modern financial technologies.

Mr. Omkar Mhamunkar
Company Secretary & Compliance Officer

Mr. Omkar Mhamunkar, is a B. Com and Law Graduate and Associate Member of the Institute of Company Secretaries of India, New Delhi, presides over the crucial responsibilities of Company Secretary and Compliance Officer at DMCC. He has a formidable experience of over 12 years in the field, where he demonstrates an exceptional finesse in the areas of secretarial, legal, compliance and governance functions. To further complement his expertise, he is supported by the capable Ms. Sakshi Gupta a qualified Company Secretary in her position as Assistant Manager – Legal & Secretarial.

Serving Together for a Better Tomorrow

At DMCC, we are committed to inclusive growth and measure our success through community efforts, not just profitability. We have been supporting, nurturing and protecting our communities since we began operations.

We are transparent, ethical, and accountable in our actions, and we hope to continue to uphold these values as we move forward. Over the years, we have contributed to many causes, such as education, environmental protection, social upliftment and biodiversity conservation. We engage with our communities through our programmes and support, helping them improve their quality of life.

Mitigation of negative human-wildlife interaction at Corbett Tiger Reserve

We partnered with The Corbett Foundation to enhance co-existence and community cooperation towards the conservation of tigers and other flagship species in the Corbett Tiger Reserve (CTR). We have provided interim relief for human injuries. We have also installed solar street lights in identified villages to deter wild animals from entering the human habitations and enabling villagers to detect the presence of such animals.

20 solar street lights

Installed in 10 villages

We installed chain-link fences to control crop damage caused by wild species in the fringe villages, provided iron poles for making haystacks and have also undertaken various initiatives for the economic upliftment of fringe communities such as setting up a spice-processing unit to support and promote the selling of spices that have been grown locally by villagers associated with a Self-Help Groups (SHGs) and providing high-yielding crossbred cows to identified villagers.

~2000 mtr

Chain Linked Fencing installed to control crop damage by wild species

Social empowerment

We supported Sense India's 'Educational and Rehabilitation Services for Children and Young Adults with Deafblindness and Multiple Disabilities' project in Porbandar and Surendranagar in Gujarat. Under this project, children and young adults received home-based and centre-based services, basic education and daily living skills, physiotherapy, vocational training and income-generation programme (for 18 years and above), nutrition support and exposure visit.

We also contributed for providing free dialysis treatment for patients through Nana Palkar Smruti Samiti.

396 patients

Benefitted from our contribution to their dialysis

155 children and adults

With deafblindness and multiple disabilities received need-based rehabilitation services through the project

Snakebite awareness and welfare of stray dogs

We contributed for creating awareness in communities for snakebite prevention, and first-aid workshops and capacity building of medical staff, community workers, Forest Department staff, village leaders, volunteers and snake rescuers and educational institutions. We also supported for the sterilisation and immunisation of stray dogs, helped raise awareness about rabies and issues w.r.t. dogs and facilitated the adoption of abandoned and stray dogs.

Sterilisation and immunisation

Of stray dogs supported

Tree plantation and beach clean-up

We strive to offset the impact of our operations by contributing to the environment through various initiatives. Through Sahyadri Nisarga Mitra (SNM) we planted 250 saplings of native trees such as ficus, golden shower tree and bastard teak, across the coastline as well as in Anjarle village in Ratnagiri District. Further, the community members, volunteers from DMCC and SNM participated in the beach cleanup drive and approximately 550 kg of plastic waste was collected. We also ensured that the beach clean-up is carried out on a weekly basis throughout the year.

550 kg plastic waste

Collected from the neach cleanup drive

~250 saplings

Of native trees planted

Education

To ensure improved learning outcomes and development of infrastructure facility in schools, we provided infrastructure materials and book case, textbooks and notebooks to students of M. B. More Foundation, English Medium School at Roha. To ensure the participation and integration of North Eastern students into mainstream education, we contributed towards boarding and lodging for girls from North East states in Chiplun. We also installed a CCTV system at Government Commerce and Science College, Dahej to ensure the safety and security of students.

A CCTV system

Installed at Government Commerce and Science College, Dahej

Rural infrastructure

A Jan Seva Kendra was set up in Dahej Gram Panchayat by provding the necessary infrastructure, computer systems, LED TV, furniture and fixtures, and other electronic equipment. A cremation ground was renovated by us at Sambhe Gram Panchayat at Roha. We donated LED tube lights and LED floodlight to Kolavana Village at Bharuch.

LED tube lights and floodlights

Donated to Kolvana Village, Bharuch

Women empowerment

We organised a camp to empower women through the SMP Charitable Trust at Dahej by educating them on topics such as self-defense, self-motivation, business activities and information about government scheme for women empowerment.

~200 women

Benefitted

2 flour mills
7 sewing machines

Donated to identified women in Roha

Healthcare and sanitation

We organized a free medical and gynecology camp at Dahej with the help of SMP Charitable Trust. The medical checkup was conducted by the Specialist Doctor and professional medical staff. The camp also provided free medicines to the patients. Over 100 patients benefitted from the camp. We also spread awareness about cleanliness, waste management and conservation of the environment through wall paintings at Roha.

Free medical and gynecology camp

Organised at Dahej

~100 patients

Benefitted

Economic Overview

Global economy

Against a backdrop of a rapidly evolving global economic landscape, the world is facing a numerous of challenges that continue to weigh heavily on growth prospects. According to projections, global growth is expected to slow down from an estimated 3.4% in 2022 to 2.9% in 2023, before rebounding to 3.1% in 2024.

Central banks around the world have raised interest rates in response to rising inflationary pressures, also some geopolitical issues continues to create economic uncertainty. Despite these challenges, the recent reopening of China's economy has been a beacon of hope, with the nation's rapid recovery paving the way for faster-than-expected growth. However, global inflation is still projected to remain above pre-pandemic levels.

Looking ahead, the balance of risks remains tilted towards the downside, with a range of potential factors that could dampen economic growth. Yet, there are also plausible scenarios that could provide a boost, including a surge in pent-up demand across various economies or a faster-than-expected decline in inflation. However, the possibility of severe health outcomes in China, 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 could further hinder economic progress.

2.9%

Global growth is expected to slow down from an estimated 3.4% in 2022 to 2.9% in 2023, before rebounding to 3.1% in 2024

In summary, while the global economy continues to face a host of challenges, there are signs of hope that suggest a gradual path towards recovery. As we navigate this complex and evolving landscape, it is essential that we remain vigilant and adaptable, staying alert to new risks and opportunities that arise along the way.

Indian economy

India has emerged as a bright spot in the global economy, weathering the shocks of the COVID-19 pandemic and the geopolitical issues. Despite the Central Banks responding with synchronised policy rate hikes to curb inflation, India is projected to be the fastest-growing major economy in FY23, with growth estimated to be 7% in real terms, higher than almost all major economies. The credit growth to the Micro, Small, and Medium Enterprises (MSME) sector has been remarkably high, and the capital expenditure of the Central Government has also been a growth driver.

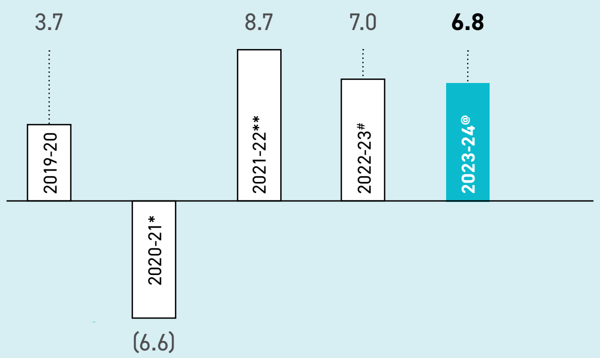
7%

India is one of the fastest growing major economies in FY23

The surge in the growth of exports in FY22 and the first half of FY23, along with the rebound of private consumption and higher capital expenditure, have induced a shift in the gears of the production processes. Private consumption, supported by a rebound in contact-intensive services, such as trade, hotel, and transport, has remained strong. Additionally, the return of migrant workers to construction sites has led to job creation, as seen in the declining urban unemployment rate and in the faster net registration in the Employee Provident Fund.

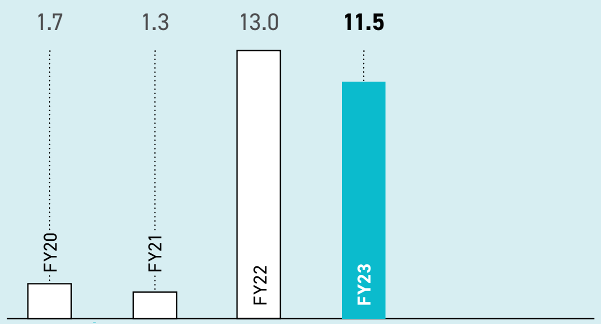
In summary, India's economy has remained robust, defying global economic headwinds, and is poised for strong growth in the coming year. With high credit growth to the MSME sector, strong capital expenditure, and rebounding private consumption, India's economy is on the path to recovery. The government's focus on strengthening the balance sheets of the corporates, and a well-capitalised banking system, along with the world's second-largest vaccination drive, bode well for the country's economic outlook. 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.

GDP Growth
(in %)



* 1st Revised Estimates | ** Provisional Estimates
\# 1st Advance Estimates | @ Projected

Inflation (WPI)
(in %)



Industry Overview

Global chemical industry

The global chemical industry is a vital component of the world economy, providing raw materials for an array of products and services, ranging from construction materials to electronics. Despite the unprecedented challenges brought on by the COVID-19 pandemic, the industry witnessed significant growth in 2023, expanding from $4700.13 billion in 2022 to $5079.29 billion in 2023, thus growing at a staggering CAGR of 8.1%. However, the industry continues to face a range of disruptive factors, including the supply chain disruptions, and rising costs of raw materials.

One of the most significant drivers of growth in the chemical industry has been the low-interest rates set by central banks in developed countries. These measures were implemented as a response to the economic impact of the pandemic, leading to increased borrowing and investment in the industry. Despite this, rising costs have become a significant challenge for chemical manufacturers, resulting in higher manufacturing expenses and decreased investment in research and development.

As the industry moves forward, it is increasingly clear that sustainable and eco-friendly processes are essential for its continued growth and success. Chemical companies are exploring alternative fuels and processes to minimise the negative impact of manufacturing on the environment. Innovative technologies and scientific advancements have enabled the industry to produce fuels and industrial products using naturally available resources such as carbon dioxide. With these innovations, the global chemical industry is expected to grow to $6851.59 billion in 2027 at a CAGR of 7.8%, paving the way for a brighter future.

Indian chemical industry

The Indian chemical industry has emerged as one of the key drivers of the nation's economy, contributing a substantial 7% to the nation's GDP. With India being the 6^{th} largest producer of chemicals worldwide and 3^{rd} in Asia, the industry's potential for growth and expansion is enormous. The industry has witnessed remarkable progress in recent years, with an estimated valuation of $178 billion in 2019, projected to reach a staggering $304 billion by 2025, thus registering a CAGR of 9.3%.

The Indian chemical industry is expected to receive ₹ 8 lakh crore investment by 2025, owing to its ability to create significant global impact, making it an attractive hub of opportunities. This has increased the chances of sustained and continuous growth.

Despite challenges such as inflation, geopolitical concerns, and supply chain disruptions, the Indian chemical industry remains resilient and continues to deliver substantial value to its stakeholders. The sector's robust performance is underpinned by strong domestic consumption, rising export growth, and increasing import substitutions. These factors are expected to remain primary growth drivers for the chemical industry in the long run.

As the Indian economy grows, the chemical industry is expected to witness a transition to speciality materials as user industries constantly evolve. The Speciality chemicals sector, in particular, is reshaping India's economic landscape with a renewed approach towards its products and solutions. The industry is poised to benefit significantly from factors such as rising domestic demand in chemical end-use sectors like agriculture, consumer and retail, infrastructure, auto and electronics, and healthcare. These factors are expected to create lucrative value pools across most chemical sub-segments, driving chemical demand and presenting immense opportunities for the Indian chemical industry.

As the industry continues to overcome challenges and ramp up production capacity, it is poised to create substantial value for its stakeholders, investors, and the Indian economy as a whole.

Global Chemicals Market

7.8%
Expected growth rate through 2027

$6,851.59 Bn
Expected market size by 2027

Interest rates were low in most developed countries is the main driver of the market

Asia-Pacific is the largest region in the market

Growth drivers

Based on the analysis of the current market trends, there are several growth drivers in the chemical sector:

1. Increased global regulations around safety and environmental concerns have forced companies to look for alternative sources of essential materials. India, with its proximity to the Middle East, the world's largest source of petrochemicals stockpile, has emerged as a prime destination for multinational buyers looking to diversify their supply chains and de-risk reliance on a single manufacturing source.
2. India's chemicals and petrochemicals industry is undergoing consolidation and prioritisation of core businesses, driving greater scale and efficiency through mergers and acquisitions. This trend is expected to further improve the competitiveness of Indian companies, and provide ample opportunities for strategic partnerships with multinational firms.
3. The Indian Government's strategic initiatives, Make in India and Atmanirbhar Bharat, have been instrumental in creating a conducive business environment and incentivized policies to support the growth of the chemical sector. These programmes have attracted significant investments in the sector, fueling innovation, and propelling India's position as a global manufacturing hub.
4. India's competitive labour costs, its ability to build manufacturing units at less cost than in the developed world, and recent changes to corporate tax rates have contributed to its rising attractiveness as a manufacturing destination. These factors, coupled with India's skilled workforce and supportive business ecosystem, have made it an ideal location for multinational firms to set up manufacturing units.
5. The Indian Government's policy of allowing 100% FDI in chemicals and plans for Production Linked Incentive schemes in the sector have created a favourable investment climate for multinational firms. These policies provide opportunities for foreign companies to invest in India's thriving chemical industry and participate in the country's growth story.

MAKE IN INDIA

The seismic disruptions of the year 2022 have facilitated the chemical industry to propel itself to the forefront of the imminent materials metamorphosis. Nevertheless, amidst the intricate fabric of global trade, macroeconomic signals such as the capricious nature of energy prices, towering expenses, and the disintegration of trading patterns are flagging a foreboding sense of uncertainty. To confront and conquer these formidable macroeconomic challenges, the industry is leveraging four principal trends that are gaining momentum and shaping the future of the industry.

These include:

Sustainability & innovation	To attain the noble objective of achieving emissions reduction targets by 2030, global chemical producers are prioritising the mitigation of Scope 1 and 2 emissions, while also pursuing sizable reductions across Scope 3. Moreover, these efforts are likely to extend beyond simple abatement techniques to encompass substantial adoption of material and product alternatives. Nevertheless, accomplishing these goals would necessitate deploying advanced capabilities and innovative strategies, beyond those needed for conventional material development. This marks the first trend in the chemical industry's quest to address the imperative of emissions reduction.
Portfolio transformation	The chemical industry is at the cusp of a critical inflection point, as the industry seeks to prioritise product portfolios that are sustainable over the long term. This movement towards a sustainable product portfolio is expected to gain traction, though it may take time to scale, given the challenges posed by factors such as feedstock prices, energy demand, supply chain, and end-market demand, which may impact the appetites of strategic buyers. Nevertheless, the groundwork for this transformational shift is being laid in the present environment.
Supply chain transformation	Moving forward, the chemical industry must reevaluate its supply chain structures to align with the transformational changes that lie ahead in the next decade. Achieving a balance between cost-effectiveness and sustainability in managing supply chain resiliency poses a daunting challenge that necessitates a radical shift in the strategies pursued by companies in the last 30 years. In this landscape, supply chain performance assumes a crucial role, and firms are forging ahead with renewed agility, security, resilience, and efficiency to architect the future.
Digital disruption	The evolution of the chemical industry's decision-making landscape has been spurred by digital implementation. However, in the near term, the priority is to stabilise current platforms and capabilities, with a focus on maximising the return on investment before expanding into new areas. Chemical producers are increasingly leveraging digital technologies to drive materials innovation and accelerate low-cost formulations through the assessment, optimisation, and integration of ingredient recipes and domain knowledge. Digital technology is being positioned as a strategic discipline that can generate value by treating emerging technologies as a risk-adjusted portfolio, leading to further enhancements in the value chain and a more sustainable chemical industry. This approach embodies the essence of innovation and efficiency, driving success in the digital age.

Company Overview

Legacy of evolution

DMCC Speciality Chemicals Limited (Formerly known as The Dharamsi Morarji Chemical Company Limited) has come a long way since its inception in 1919, starting with just one product and one manufacturing unit. Today, the Company stands tall as a global leader in the manufacturing of speciality and bulk chemicals, supplying cost-effective and value-added products to over 25 countries across all six continents. With its robust product portfolio spanning across sulphur, boron, and ethanol chemistry, DMCC has a dominant presence in a diverse range of industries, including pharmaceuticals, detergents, dyes, fertilisers, pigments, cosmetics, and more.

DMCC prides itself on its 100+ years of expertise in sulphur chemistry, and has leveraged this expertise to diversify into other downstream products as well. With an unwavering commitment to safety, the Company adopts the best practices and processes for responsible manufacturing operations, striving to minimise the impact of its operations on the environment. DMCC's focus on ESG is evident in its efforts to reduce carbon emissions, replace traditional fuel sources with non-conventional sources, and manage water and waste responsibly.

Since 2011, the Company has gradually shifted its focus to Speciality chemicals. DMCC's significant investment in Dahej facility, which has now commenced commercial production, demonstrates the Company's unwavering commitment to scaling its speciality chemicals segment. With its proven track record of excellence and unwavering commitment to sustainability, DMCC Speciality Chemicals Limited is well-positioned to drive value for its stakeholders and contribute to the growth of the chemical industry.

Business performance

DMCC's rich legacy spanning over a century has shaped its long-term vision that extends far into the future. Overcoming the obstacles along the way, DMCC is now poised for a triumphant return. With inventory losses no longer weighing in, the Company's financial performance is on the road to recovery. While remaining cautiously optimistic, the Company is focused on scaling its Speciality chemicals segment while retaining scale in its bulk chemicals business.

Bulk chemicals

As the global industry landscape shifts towards reliable partnerships with essential input suppliers, DMCC stands poised to capitalise on its strong foundation in the segment, despite being vulnerable to low profit margins, high volumes, and price fluctuations, owing to it being a commoditized product. The segment's success depends on ensuring uninterrupted access to raw materials, maximising plant utilisation, and efficient logistics management. The sales in this segment are primarily limited to the surrounding area, with roughly half of production being sold in open markets, while the remainder being captively consumed.

During the fiscal year 2023, the Bulk Chemicals segment exhibited a contribution of 48% to the Company's top line, compared to 44% in the previous year. This rise in contribution can be attributed to the Company's efforts to expand the capacities in the bulk chemicals segment during the fiscal year 2022. Despite these efforts, the performance of the bulk chemicals vertical was adversely impacted by various factors. The year began with a record high in sulphur prices, which continued to soar through the first quarter. The prices corrected by more than 60% in the subsequent months, resulting in significant inventory losses as the commodity cycle turned. Additionally, a planned maintenance shutdown was carried out in the third quarter to ensure the plant's long-term viability. Despite the Company ramping up volumes to the maximum capacity in bulk chemicals during the year, the performance did not translate into financial returns due to a significant drop in realisations.

However, the operating environment stabilised in the fourth quarter, and the Company anticipates a promising recovery, albeit gradually for its bulk chemicals business. Even though bulk chemicals capacity was commercialised before speciality chemicals, the suboptimal performance hindered the consolidated financial performance. Nonetheless, the Company remains optimistic about the performance of this segment in FY24 and is committed to leveraging its expertise to meet the evolving needs of its clientele.

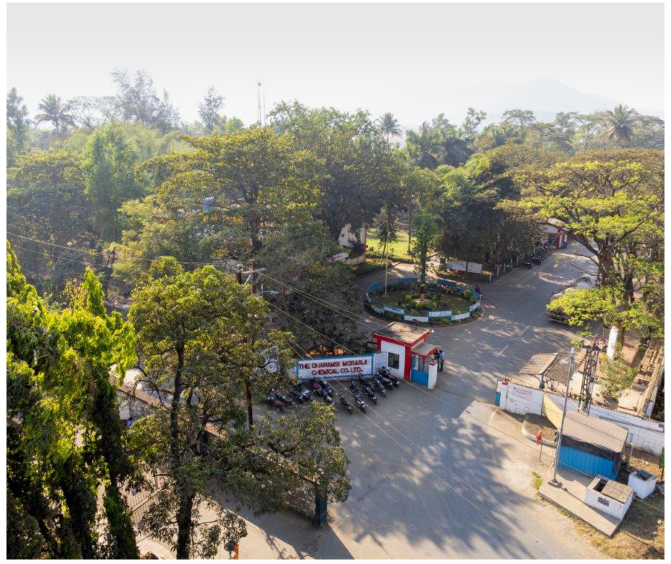
Speciality chemicals

DMCC is currently focused on scaling its speciality chemicals business, all while retaining its scale in the bulk chemicals segment. The speciality chemicals segment requires strong process competencies and technical abilities for handling hazardous reactions, as these chemicals are knowledge-based. The significant advantage of the speciality chemicals business is its resilience to raw material price volatility in the long run. Additionally, the Company has built impeccable relationships with its customers, which lends itself to Company exporting approximately 65-70% of finished goods, further highlighting its importance to DMCC's overall performance.

Although speciality chemicals contributed 54% to the top line in FY22, there was a lower contribution in FY23 due to the incremental capacities in the segment commercialising in H2FY23.

The performance of the speciality chemicals segment was impacted by slow demand from multiple end-user industries, including major consumer markets such as the US and Europe. This demand slowdown resulted from various factors, including high inflation in the US, geopolitical tensions in Europe leading to abnormal rise in energy costs, and low demand visibility resulting in customers destocking their inventories.

However, there is now a sign of revival as the destocking comes to an end and demand gradually recovers. With an improving demand scenario, the speciality chemicals segment is expected to contribute higher in the years to come. Overall, DMCC's focus on scaling its speciality chemicals business and retaining scale in bulk chemicals, combined with its resilience to raw material price volatility and strong export presence, positions it well for a robust performance in FY24.



Conclusion

Even though the challenging macroeconomic factors were reflected in DMCC's financial performance in FY23, the Company has demonstrated great resilience in the face of adversity. With prudent strategies in place, the Company is strengthening and diversifying its business by investing in its product portfolio, infrastructure, and processes. Additionally, the Company has improved its efficiencies and enhanced its value proposition.

Furthermore, the Company's strategy of de-risking the business model and making incremental investments in value-added assets will deliver long-term value to all its stakeholders. Although the completion of the capex coincided with a challenging operating environment resulting in increased costs without commensurate revenues, the Company remains optimistic about the positive results of its investments as the demand scenario improves. Overall, the Company's strong foundation, relying on well-oiled efficiencies position it well for sustained progress in the future.

Key Financial Ratios

Financial Ratios	FY23	FY22	Change
Operating Profit Margin	10.08%	14.13%	(28.66%)[1]
Net Profit Margin	1.80%	6.54%	(72.48%)[1]
Debtor Turnover	7.55	7.95	(5.03%)
Inventory Turnover	5.23	4.96	5.44%
Interest Coverage	2.00	9.77	(79.53%)[2]
Debt Equity	0.41	0.40	2.50%
Current Ratio	1.04	0.96	8.33%
Return on Net Worth	3.5%	11.02%	(68.24%)[3]

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 and sharp fall in sulphur prices.
2. The Interest Coverage Ratio is adverse due to lower profit margin and increase in interest cost on account of borrowing for Capex at Dahej and Roha Units.
3. Return on Net Worth is adverse due to lower profit margins.

Safeguarding the Business

Risks and concerns

In today's dynamic and unpredictable business environment, risk management has become a critical component of any successful organisation. DMCC understands that its business is not immune to risks and concerns, and the Company has implemented a robust framework to safeguard itself against any exigencies. By identifying and analysing potential risks, it can make informed decisions that will minimise the impact and protect the business from potential threats.

DMCC's risk management framework is designed to be agile and responsive, enabling it to adapt quickly to changing circumstances. It provides a clear set of guidelines and procedures for identifying, assessing, and mitigating risks across all areas of the business. Furthermore, the Company also regularly reviews and updates the risk management processes to ensure that it remains relevant and effective in the face of evolving risks and challenges. By prioritising risk management and taking a proactive approach, the Company continues to focus on achieving its long-term strategic goals and delivering value to all its stakeholders. The Company's commitment to risk management is an integral part of its broader mission to build a sustainable and successful business that can weather any storm.

Risks	Mitigation strategies
Raw material risk	• DMCC's supply chain management practices are designed to ensure a steady and reliable supply of raw materials at competitive prices, thanks to long-standing relationships with trusted suppliers. • In addition, the Company's innovative raw material-plus pricing mechanism for its Speciality chemicals segment serves to reduce the risks of margin pressures that could result from fluctuations in input costs. This strategic approach enables DMCC to maintain its profitability and financial stability even in the face of market volatility.
Customer retention risk	• DMCC's unwavering commitment to delivering high-quality products and services has garnered the Company a loyal customer base. By prioritising customer satisfaction, DMCC has established itself as the preferred supplier for many of its customers, thereby mitigating customer retention risk. • In addition, DMCC's revenue streams are diversified across industries, with no single industry contributing more than 10% of total revenues. This strategic move has provided the Company with diversification benefits and reduced the risk of client concentration, ensuring continued growth and success.
Talent availability risk	• DMCC recognizes the significance of talent in driving organisational success and is committed to providing a nurturing environment that fosters personal and professional development. The Company invests in various training and development initiatives to equip its employees with the necessary skills and expertise to meet the dynamic needs of the industry. • In addition, DMCC organises engaging team-building activities on and off-site to instil a sense of camaraderie amongst its workforce. By promoting a culture of collaboration and unity, the Company ensures that it can attract and retain top talent in a competitive job market.
Foreign exchange risk	• DMCC proactively manages currency risk by closely monitoring the movement of the Rupee and taking strategic actions to mitigate any unfavourable fluctuations. The Company utilises hedging to safeguard against potential currency risks, ensuring stability and resilience in its financial operations. By employing such measures, DMCC remains poised to capitalise on opportunities in the market, while minimising the impact of external factors on its financial performance.
Regulatory risk	• DMCC diligently adheres to all the regulatory mandates set forth by the relevant authorities, while proactively striving to meet the compliance standards of international markets. Such efforts safeguard the Company's operations, allowing for seamless execution of business strategies.
Risk of market volatility and instability	• DMCC has adopted a forward-thinking approach to minimise its dependency on any specific geography or market. The Company's global footprint has expanded significantly, and its efforts towards further growth remain steadfast for the years ahead.

Internal control systems and their adequacies

DMCC has established a comprehensive internal control framework that encompasses well-defined policies, guidelines, and procedures. This ensures that all assets are protected against unauthorised use or disposal, while all transactions are duly authorised, recorded, and reported. The Company's independent internal control system is complemented by an internal audit program that helps monitor adherence to established policies and procedures.

Moreover, the Board's Audit Committee regularly reviews reports by the Internal Auditors, provides guidance on improvements, and ensures that the operating management adheres to the prescribed framework. The Company believes that a strong internal control framework is critical for safeguarding its assets, reducing operational risks, and maintaining transparency in its financial reporting. As such, DMCC remains committed to continually enhancing and refining its internal controls to effectively mitigate risks, enhance the efficiency of its operations, and improve stakeholder confidence.

Human resource

DMCC places great emphasis on the value of human capital and acknowledges that its employees are the Company's most significant asset. In line with that, the Company has made a continuous effort to institutionalise and upgrade its human resource practices. Transparency has been a cornerstone of its human resource policy, with an open communication environment that fosters trust, respect, and a culture of excellence. The Company believes that an empowered workforce is critical to driving growth, progress, and shareholder value. As such, special emphasis has been placed on recruiting multi-disciplinary and experienced staff, ensuring that the Company's growth objectives are carried forward by the best talent available.

Furthermore, DMCC has made significant strides towards improving its human resource policies and processes, with a particular focus on enhancing performance. Regular training programs have also been held for the benefit of the staff and workmen, providing a robust platform for professional and personal development. In line with its collaborative approach, the Company has worked closely with unions, and industrial relations have been cordial throughout. The number of permanent employees on the rolls of the Company as of March 31, 2023, is more than 391, reflecting its commitment to fostering a motivated and dedicated workforce. By maintaining a strong focus on human resource policies and processes, DMCC has been successful in creating an environment that attracts and retains the best talent, fosters employee growth and development, and drives long-term success.

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.

Sources

https://www.imf.org/en/Publications/WEO/Issues/2023/01/31/world-economic-outlook-update-january-2023#:~:text=Global%20growth%20is%20projected%20to,19)%20average%20of%203.8%20percent

(Global economy)

https://pib.gov.in/PressReleasePage.aspx?PRID=1894932#:~:text=Despite%20the%20downward%20revision%2C%20the,growing%20significant%20economies%20in%202022

(Indian Economy)

https://www.thebusinessresearchcompany.com/report/chemicals-global-market-report

(Global chemical industry)

https://timesofindia.indiatimes.com/blogs/voices/indias-chemical-industry-unleashing-the-next-wave-of-growth/

(Indian chemicals industry)

Corporate Information

BOARD OF DIRECTORS

Shri Laxmikumar Narottam Goculdas
Chairman

Ms. Mitika Laxmikumar Goculdas
Vice-Chairperson

Shri Madhu Thakorlal Ankleshwaria
Non - Executive, Independent Director

Shri Mukul Manoharlal Taly
Non - Executive, Independent Director

Shri Sanjeev Vishwanath Joshi
Non - Executive, Independent Director

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

Shri Bimal Lalitsingh Goculdas
Managing Director and Chief Executive Officer

Shri Dilip Trimbak Gokhale
Executive Director

KEY MANAGERIAL PERSONNEL

Shri Bimal Lalitsingh Goculdas
Managing Director and Chief Executive Officer

Shri Dilip Trimbak Gokhale
Executive Director

Shri Chirag Jaswant Shah
Chief Finance Officer (Upto February 10, 2023)

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

Shri Omkar Chandrakant Mhamunkar
Company Secretary & Compliance Officer

REGISTERED OFFICE

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

SUBSIDIARY

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

COMPANY IDENTIFICATION NO.

L24110MH1919PLC000564

STOCK EXCHANGE LISTING DETAILS

BSE: DMCC/506405

NSE: DMCC

STATUTORY AUDITORS

Messrs Rahul Gautam Divan & Associates
Chartered Accountants, Mumbai

INTERNAL AUDITORS

Messrs Mahajan & Aibara
Chartered Accountants LLP, Mumbai

SECRETARIAL AUDITORS

Messrs SKJ & Associates
Company Secretaries, Mumbai

COST AUDITOR

Shri S. S. Dongare
Cost Accountants, Mumbai

BANKERS

Janakalyan Sahakari Bank Limited
RBL Bank Limited
Saraswat Co-operative Bank Limited

PLANT LOCATION

Roha (Maharashtra)
Dahej (Gujarat)

REGISTRAR AND SHARE TRANSFER AGENTS (RTA)

Link Intime India Pvt. Limited
C101, 247 Park, L B S Marg,
Vikhroli (W) Mumbai-400 083.
Tel.: 022-49186000
Fax: 022- 49186060
Email: mt.helpdesk@linkintime.co.in

Notice

NOTICE is hereby given that the **102nd Annual General Meeting** of the Members of **DMCC Speciality Chemicals Limited** (Formerly known as "The Dharamsi Morarji Chemical Company Limited") (CIN: L24110MH1919PLC000564) will be held on **Tuesday**, the **12th day of September 2023** at **11:30 a.m.** (IST) through Video Conferencing or Other Audio Visual Means (VC/OAVM) 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, 2023, 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, 2023, 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, 2023, 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, 2023, and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

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 and, in this regard, pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** Ms. Mitika Laxmikumar Goculdas (DIN: 02879174), who retires by rotation and being eligible, has offered herself for re-appointment be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS:

4. 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, 2024, 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 or Key Managerial Personnel(s) of the Company be and is hereby severally authorised to do all such acts and take such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution."

5. Continuation of directorship of Shri Madhu Thakorlal Ankleshwaria (DIN: 02753794), as an Independent Director of the Company.

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

"**RESOLVED THAT**, pursuant to the provisions of the Companies Act, 2013 and Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) consent of the Members of the Company be and is hereby accorded for the continuation of directorship of Shri Madhu Thakorlal Ankleshwaria (DIN: 02753794), as an Independent Director of the Company who shall attain the age of 75 years on August 23, 2024, during his second term as an Independent Director of the Company.

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

By Order of the Board of Directors,

Omkar Mhamunkar
Company Secretary

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

Place: Mumbai
Date: August 09, 2023

Notes:

1. The Ministry of Corporate Affairs ("MCA") vide General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021 and Circular No. 20/2021 dated December 08, 2021, 3/2022 dated May 05, 2022 and 11/2022 dated December 28, 2022, (collectively the '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, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 (collectively "SEBI Circulars"), have permitted companies to conduct the Annual General Meeting **("AGM"/"Meeting")** through Video Conferencing **("VC")** or Other Audio Visual Means **("OAVM")**, without physical presence of the members at a common venue. 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 102nd AGM of the Company is being convened and conducted through VC/OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

2. 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 unless any member has requested for the physical copy of the same in accordance with the aforesaid MCA circulars and circular issued by SEBI dated January 05, 2023 (as amended if any). 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 and on the website of Link Intime India Private Limited ("LIIPL"/"RTA") at https://instavote.linkintime.co.in

3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   SINCE THIS AGM IS BEING HELD THROUGH VC/OAVM, PURSUANT TO MCA CIRCULARS, PHYSICAL ATTENDANCE OF THE MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, 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.

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

5. 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.

6. 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.

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

8. 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. 4 and 5 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.

9. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 4 and 5 of the Notice. 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/regularisation are provided in the **"Annexure I"** to this Notice.

10. **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.

11. Members whose email addresses are not registered with the Company/DPs are requested to get their email addresses registered to their Depository Participant ("DP") in case the shares are held in electronic form and to the RTA 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.

12. **Norms for furnishing of PAN, KYC, Bank details and Nomination:**

    SEBI vide circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16.03.2023 in supersession of SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 has instructed to mandatorily furnish PAN, KYC details and Nomination by holders of physical securities. Accordingly, it is once again reiterated that all holders and claimants of physical securities shall furnish valid PAN, KYC details, email address, mobile number, Bank account details and nomination details immediately in the below mentioned forms to the RTA.

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

All above Forms [ISR-1, ISR-2, ISR-3, SH-13, SH-14] and the said SEBI circular are available on the Company's website at www.dmcc.com under Investor Section and also available on the website of RTA at https://web.linkintime.co.in/KYC-downloads.html

Freezing of Folios without PAN, KYC details and Nomination.

a) The folios wherein any one of the cited document/details as in para above are not available on or after **October 01, 2023**, shall be frozen by the RTA as per the aforesaid SEBI circular.

b) The security holder(s) whose folio(s) have been frozen shall be eligible:

- to lodge grievance or avail any service request from the RTA only after furnishing the complete documents/details as mentioned in para above.
- for any payment including dividend, interest or redemption payment in respect of such frozen folios, only through electronic mode with effect from April 01, 2024. An intimation shall be sent by the Bank to the security holder that such payment is due and shall be made electronically only upon complying with all the requirements stated in para 4 in the aforesaid SEBI Circular.

c) Frozen folios shall be referred by the RTA/listed company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025.

d) The RTA shall revert the frozen folios to normal status upon receipt of all the documents/details as in para above.

13. Regulation 40 of the 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 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 No. ISR-4**, the format of which is available on the Company's website at www.dmcc.com and on the website of the RTA at https://web.linkintime.co.in/KYC-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 RTA for assistance in this regard.

14. 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 RTA in case the shares are held by them in physical form by furnishing KYC details in Form ISR-1. The said form and other relevant KYC Forms are available on the website of the Company at www.dmcc.com and on the website of RTA at https://web.linkintime.co.in/KYC-downloads.html.

15. 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.

16. 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. Requests for consolidation of share certificates shall be processed in dematerialized form.

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, and relevant documents referred to in the Notice or statement will be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an e-mail to investor@dmcc.com.

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 Register of Members and the Share Transfer Books of the Company shall remain closed from **Wednesday, September 06, 2023 to Tuesday, September 12, 2023, (both days inclusive)**. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the **cut-off date** i.e. **Tuesday, September 05, 2023**.

21. The Company has a designated email ID for Redressal of Shareholders'/Investors' Complaints/Grievances. Hence, please write to us at investor@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, 2023, is ₹ 0.10 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, as on date 17909 Nos. of Equity shares are lying in the "Unclaimed Suspense A/C" maintained by the Company. The details of shares lying the same are provided in the website of the Company at www.dmcc.com under Investor Section. Members are requested to claim the shares lying with the said Unclaimed Suspense Account by duly submitting ISR- 4 form with the RTA.

24. Suspense Escrow Demat Account

SEBI has vide its circular SBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 05, 2022, has mandated, in case the securities holder/claimant fails to submit the demat request within 120 days from date of issuance of Letter of confirmation, RTA/Issuer Company shall credit/transfer the securities to Suspense Escrow Demat Account opened with Depository Participant. Accordingly, as on date of this notice, 7 Nos. of Equity Shares are lying in Suspense Escrow Demat Account. The details of the same are provided in the website of the Company at www.dmcc.com under Investor Section.

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.

26. Members who have not encashed their dividend warrants or whose dividends are unclaimed are requested to lodge their claims with the RTA at the earliest.

27. 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.

28. 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.

29. 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), Tuesday, September 05, 2023** 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 **Saturday, September 09, 2023 at 9.00 a.m. (IST) and ends on Monday, September 11, 2023 at 5.00 p.m. (IST)** 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.

Remote e-voting Instructions for shareholders:

As per the SEBI circular dated December 09, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Shareholders 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**	• Existing IDeAS user can visit the e-Services website of NSDL viz... https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-voting period. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-voting period.

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with **CDSL**	• Existing user of who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. • After successful login the Easi/Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by the Company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider i.e. LINKINTIME for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly. • If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. • Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, the user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual Shareholders (holding securities in demat mode) & login **through their depository participants**	• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. • After Successful login you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e voting feature. Click on company name or e-voting service provider name i.e. LINKINTIME and you will be redirected to "Instavote" website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in **Physical mode & e-voting service Provider is LINKINTIME.**	1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in. 2. Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details: a) **User ID:** Shareholders/members holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID. b) **PAN:** Enter your 10-digit Permanent Account Number (PAN). 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. **Note:** i. Shareholders/Members holding shares in physical from but have not recorded **'c'and 'd'**, shall provide their folio number in 'd' above. ii. Shareholders holding shares in NSDL form, shall provide 'd' above.

Type of Shareholders	Login Method
	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. 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'**. 11. 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.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL 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.

Process for those shareholders whose e-mail id's are not registered with the depositories for procuring user id and password for e-voting for the resolutions set out in this notice:

In case shares are held in Physical mode: Please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), by email to enotices@linkintime.co.in / insta.vote@linkintime.co.in with copy to investor@dmcc.com.

In case shares are held in Demat mode: Please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), by email to enotices@linkintime.co.in / insta.vote@linkintime.co.in with copy to investor@dmcc.com.

HELPDESK

Helpdesk for Individual Shareholders holding securities in physical mode/Institutional shareholders:

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

Helpdesk for Individual Shareholders holding securities in "Demat Mode"

In case shareholders/members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/CDSL, they may contact the respective helpdesk given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

PROCEDURE IN CASE OF FORGOT PASSWORD

A. In case of Individual Shareholders holding securities in **PHYSICAL MODE**.

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

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

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

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company.

B. In case of Individual Shareholders holding securities in demat mode with **NSDL/CDSL** have forgotten the password:

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

> It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

> For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

> During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular "Event".

30. General Guidelines for Shareholders:

i. Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.

ii. 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 enotices@linkintime.co.in / insta.vote@linkintime.co.in or call on 022 - 022-49186060.

iii. In case of any query/grievance please refer to Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at https://instavote.linkintime.co.in or members may contact Mr. Rajeev Ranjan, AVP, Contact No.: 022-49186060 - e-voting, LINK INTIME at enotices@linkintime.co.in

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

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in/

> Select the **"Company"** and **'Event Date'** and register with your following details:

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

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

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

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

> Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

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

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

1. Members who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, e-mail address, mobile number at investor@dmcc.com on or before September 07, 2023.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Members will receive "speaking serial number" once they mark attendance for the Meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please quote your serial number and start your conversation with panelist(s) by switching on the video and audio of your device.
6. Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. The caption/subject of the email may please be mentioned as "Speaker for AGM_<DP ID>_<Client ID>". Those Members who have registered themselves as speaker will only be allowed to express their views/ask questions during the Meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
8. Members, who would like to ask questions, may send their questions atleast 7 days 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.
9. 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.

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

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

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

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

Note:

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

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

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

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

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

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.

   a) For a smooth experience of viewing the AGM proceedings through LIIPL's InstaMEET, shareholders/ members who are registered as speakers for the event i.e. AGM are requested to download and install the Webex Meetings application in advance. Please download and install the Webex Meetings application by clicking on the link https://www.webex.com/downloads.html/OR

b) If you do not want to download and install the Webex Meetings application, you may join the meeting through InstaMEET and follow the process mentioned as under:

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

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

a) https://camonview.com

b) https://instameet.linkintime.co.in

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

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

vi. Any internet outage or fluctuation in connectivity at your site may have an adverse impact on the audio/video quality during the meeting. LIIPL 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.

32. 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.

33. **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.

34. 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.

35. 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.

36. 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'.

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/REGULARISATION ARE AS UNDER:

Name of the Director	Ms. Mitika Laxmikumar Goculdas	Shri Madhu Thakorlal Ankleshwaria
Date of Birth	August 11, 1972	August 23, 1949
Director Identification Number (DIN)	02879174	02753794
Category and Designation	Non-Executive, Non Independent Director	Non-Executive, Independent Director
Date of first appointment on the Board	04-11-2011	30-07-2009
Brief Resume and nature of expertise in specific functional areas	Ms. Mitika Laxmikumar Goculdas, is an MBA (Finance) from Pennsylvania State University, USA. She has total work experience of more than 25 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.	Shri Madhu Tahkorlal Ankleshwaria is a, B.Com.(Hons), F.C.A. practicing Chartered Accountant for over three decades and was Head of the Department of "Accountancy" at N.M. College of Commerce & Economics, Mumbai. He has in depth knowledge in Finance and Accounting and has been practicing as a Chartered Accountant.
Terms & conditions of Appointment/reappointment	Terms and Conditions of appointment or reappointment are as per the Remuneration and Nomination Policy of the Company as displayed on the Company's website at www.dmcc.com. Also please refer Explanatory Statement.	Terms and Conditions of appointment or reappointment are as per the Remuneration and Nomination Policy of the Company as displayed on the Company's website at www.dmcc.com Also please refer Explanatory Statement.
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
Remuneration last drawn for FY 2022-23	Sitting Fees: ₹ 2,50,000/- Commission: ₹ 4,93,000/-	Sitting Fees: ₹ 3,50,000/- Commission: ₹ 4,93,000/-
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Yes. Daughter of Chairman and cousin sister of Managing Director and Chief Executive Officer	No
Number of Board Meetings attended during the year FY 2022-23	5(Five)	5(Five)
Directorships held in other Companies, excluding foreign Companies as on March 31, 2023	• Bombay Foods Private Limited • Natural Gas Company Private Limited • Gocul Gas Private Limited • L P Gas Transport and Bottleing Company Private Limited • Kosan Industries Private Limited • L P Gas Equipments Private Limited • Autogas Conversion (India) Private Limited • B S and Services Gas Agencies Bhopal Private Limited • Phoenix Distributors Gas Agencies Bhopal Private Limited • Phoenix Distributors Private Limited • Jasraj Trading Company Private Limited • B S and Service Private Limited	• Avik Pharmaceuticals Limited

Name of the Director	Ms. Mitika Laxmikumar Goculdas	Shri Madhu Thakorlal Ankleshwaria
Memberships/Chairmanships of Audit and Stakeholders Relationship Committees of other Public Companies as on March 31, 2023	Nil	Chairman of Audit Committee in Avik Pharmaceuticals Limited
Name of the Listed Entities from which the Director has resigned in the past three years	Nil	Nil
Number of shares held as on March 31, 2023	Nil	Nil
Shareholding as Beneficial Owner as on March 31, 2023	Nil	225 Nos. of Equity Shares of ₹ 10/- each.

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

Item No. 4

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 2023-24, 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. 4 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. 5

In terms of the Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), no listed Company shall appoint or continue the appointment of a Non-executive director, who has attained the age of 75 years, unless a special resolution is passed to that effect.

Shri Madhu Thakorlal Ankleshwaria (DIN: 02753794), aged 74 years, is Non-Executive-Independent Director of the Company. He is serving his second term which will expire on September 16, 2024 and during the term he would be attaining the age of 75 years on August 23, 2024 and accordingly, he will be continuing his directorship for 25 days after attaining 75 years of his age.

Therefore, in view of Regulation 17(1A) of the Listing Regulations, for the continuation of Shri Madhu Thakorlal Ankleshwaria as a Non-Executive-Independent Director beyond 75 years, consent of the Members would be required by way of a Special Resolution.

Shri Madhu Thakorlal Ankleshwaria has 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 Madhu Thakorlal Ankleshwaria fulfils the conditions specified in the Act for his continuation as an Independent Director.

The Company has also received declaration from Shri Madhu Thakorlal Ankleshwaria that:

a) He is not disqualified under section 164(1) and (2) of the Companies Act, 2013.

b) He is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).

c) He is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge his duties with an objective independent judgment and without any external influence.

d) As required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, he is registered with Independent Directors Database maintained by the Indian Institute of Corporate Affairs.

The Nomination and Remuneration Committee has reviewed the provisions of the Listing Regulations and recommended continuation of term of Shri Madhu Thakorlal Ankleshwaria. The Board recommends the resolution for the approval of the Members.

Except Shri Madhu Thakorlal Ankleshwaria, none of the Directors and Key Managerial Personnel of the Company and/or their relatives is deemed to be concerned or interested (financially or otherwise) in the resolution.

Directors' Report

Dear Members,

The Directors are pleased to present the Company's One Hundred and Second (102nd) Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2023.

FINANCIAL PERFORMANCE

(₹ in lakhs (Except EPS))

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	38,460.11	32,629.80	38,473.61	32,630.02
EBITDA	**3,866.40**	**4,671.67**	**3,878.12**	**4,671.05**
Less: Depreciation & Amortization	1,758.17	803.86	1,760.58	805.98
Less: Finance Cost	1,058.02	450.85	1,058.02	450.85
Profit Before Tax (PBT)	**1,050.21**	**3,416.96**	**1,059.52**	**3,414.22**
Less: Current Tax/Deferred tax	364.54	1,280.62	366.46	1,280.22
Profit After Tax	**685.67**	**2,136.34**	**693.06**	**2,134.00**
Add: Other Comprehensive Income (Net of Tax)	20.12	33.62	19.35	33.62
Total Comprehensive Income	**705.79**	**2,169.96**	**712.41**	**2,167.62**
Balance brought forward from last year	14,681.79	12,950.15	14,702.54	12,973.24
Other items of Other Comprehensive Income	(20.12)	(33.62)	(19.35)	(33.62)
Dividend Paid	(249.40)	(124.70)	(249.40)	(124.70)
Transfer to Capital Redemption Reserve	0	(280.00)	0	(280.00)
Balance Carried to Balance Sheet	15,118.06	14,681.79	15,146.20	14,702.54
Basic & Diluted EPS (in ₹)	**2.75**	**8.57**	**2.78**	**8.56**

FINANCIAL SUMMARY

On a consolidated basis, the revenue from operations increased to ₹ 38,473.61 lakhs for FY 22-23 as against ₹ 32,630.02 lakhs in the previous year, an increase of 17.91% and on a standalone basis, the revenue from operations increased to ₹ 38,460.11 lakhs for FY 22-23 as against ₹ 32,629.80 lakhs in the previous year, an increase of 17.87%, this was mainly due to higher realisation 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 affected remarkably, however despite these odds the company has been able to achieve and maintain the EBITDA on consolidated basis at ₹ 3,878.12 lakhs in FY 22-23 as against ₹ 4,671.05 lakhs in the previous year. The Profit before tax stood at ₹ 1,059.52 lakhs in FY 22-23 as compared to the profit of ₹ 3,414.22 lakhs in the previous year.

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

In order to conserve resources, the directors did not recommend any dividend for the financial year ended on March 31, 2023.

DIVIDEND DISTRIBUTION POLICY

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

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profits for FY 2022-23 in the retained earnings.

EQUITY SHARE CAPITAL

There were no changes in the Share Capital during the Financial Year under review. As on March 31, 2023, 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 Nos. of 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.

BOARD MEETINGS

The Board met five (5) times during the Financial Year 2022-23 namely, May 24, 2022, August 12, 2022, September 14, 2022, November 07, 2022 and February 10, 2023. 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

DMCC (Europe) GmbH (Formerly Borax Morarji (Europe) GmbH) is a 100% wholly owned subsidiary Company in Germany. Primarily it owns registrations for your company's products as per REACH regulations. This is a requirement for sales into the European Union. During the year under review the name of Subsidiary is changed from Borax Morarji (Europe) GmbH to DMCC (Europe) GmbH.

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 the 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 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. DMCC (Europe) GmbH (Formerly Borax Morarji (Europe) GmbH). 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 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 2022-23 and the date of this report.

AUDITORS REPORT

The Auditors' Report on standalone and consolidated financial statements for the year ended March 31, 2023 forms an integral part of this Annual Report. The Auditors' Report does not contain any qualifications, reservations, adverse remarks and disclaimer. Notes to the Financial Statements are self-explanatory and do not call for any further comments. The Statutory Auditors of the Company have not reported any fraud under Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment for the time being in force).

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS

a) Procedure for Nomination and Appointment of Directors

The Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and the 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 Standards.

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

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

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees are in accordance with the Remuneration Policy of the Company. The policy of the Company on Directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided under Section 178(3) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations is available on the Company's website at 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/Independent-Director-Appt-Letter-Annexure-Draft_DMCC.pdf

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2023, the Board of Directors comprised of eight members including two women members of which one is Independent Board member. The Board has an appropriate mix of Executive Directors ('EDs'), Non-Executive Directors ('NEDs') and Independent Directors ('IDs'), which is compliant with the Companies Act, 2013, the Listing Regulations and is also aligned with the best practices of Corporate Governance.

a) Changes at the Board and Key Managerial Personnel

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

i. Shri Bimal Lalitsingh Goculdas (DIN: 00422783), Managing Director and Chief Executive Officer of the Company, was re-appointed for a period of three consecutive years w.e.f. April 01, 2023 to March 31, 2026. His appointment is subject to approval of members and the said approval is being taken by passing of resolution by way of Postal Ballot.

ii. Shri Sanjeev Vishwanath Joshi (DIN: 00392020) and Shri Mukul Manoharlal Taly (DIN: 01334360) were re-appointed as a Non-Executive Independent Directors of the Company for a second term of five consecutive years w.e.f. February 14, 2023 and their re-appointment was approved by the members of the Company at the Annual General Meeting held on September 14, 2022.

iii. Shri Chirag Jaswant Shah, Chief Finance Officer of the Company resigned w.e.f. February 10, 2023. The Board places on record their appreciation for the services rendered by him during his tenure.

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

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Mitika Laxmikumar Goculdas (DIN: 02879174) Non-Executive, Non-Independent Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for the re-appointment. The Board recommends her re-appointment. As per the Secretarial Standard - 2 and the Listing Regulations, brief profile and other related information of Ms. Mitika Laxmikumar Goculdas (DIN: 02879174) Non-Executive, Non-Independent Director retiring by rotation is provided in the Notice of ensuing Annual General Meeting.

As on March 31, 2023, Shri Bimal Lalitsingh Goculdas, Managing Director and Chief Executive Officer, Shri Dilip Trimbak Gokhale, Executive Director 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.

Further, pursuant to the recommendation of Nomination and Remuneration Committee and Audit Committee, the Board at its meeting held on May 17, 2023 appointed Shri Sunil Kumar Goyal as the Chief Finance Officer and Key Managerial Personnel of the Company in terms of Section 203 of the Companies Act, 2013, w.e.f. May 18, 2023.

COMMITTEES OF THE BOARD

As on March 31, 2023 the Company has Six (6) Committees of the Board i.e. Audit Committee ('AC'), Risk Management Committee ('RMC'), Nomination and Remuneration Committee ('NRC'), Stakeholders' Relationship Committee ('SRC'), Corporate Social Responsibility Committee ('CSR') and Independent Directors Committee ('IDC'). The composition of the above committees, as on March 31, 2023 is disclosed in the Corporate Governance Report forming part of the Annual Report.

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence. During the year, 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 M. 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 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 09, 2023 in person, wherein all Independent Directors were present. 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

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 have any pecuniary relationships or transactions with the Company. The related party transactions entered into by the Company are disclosed in Note no 41 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, 2023, the internal financial controls were adequate and operating effectively.

PROHIBITION OF INSIDER TRADING

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

The Insider Trading Code is intended to prevent misuse of unpublished price sensitive information by insiders and connected persons and ensure that the Directors and specified persons of the Company and their dependents shall not derive any benefit or assist others to derive any benefit from access to and possession of price sensitive information about the Company which is not in the public domain, that is to say, insider information.

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

ENVIRONMENT HEALTH AND SAFETY (EHS)

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

CREDIT RATINGS

During the year under review CRISIL Ratings Limited (CRISIL) has reaffirmed the Long-Term Rating of CRISIL BBB+/Stable for the Total Bank facilities of ₹ 105.00 Crores and also CRISIL BBB+/Stable for Company's Fixed Deposit Programme of ₹ 10.00 Crores.

CERTIFICATION AND AWARDS

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

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

Your Company is 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 authorisation to use Responsible Care® Logo is renewed for further period of Three Years i.e. from April 2022 to March 2025.

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

c) **Together For Sustainability®:** The TFS Audit was carried out under the stipulations made by a Group of EU based major Pharmaceutical companies. This will enable and has enabled the Company for obtaining expeditious approval for the products sold/to be sold in Europe market.

d) **ISO Certification:** Both Plants of the Company, situated at Roha, Dist. Raigad in the State of Maharashtra and at Dahej, Dist. Bharuch in the state of Gujarat enjoys ISO 9001:2015 Certification.

e) **REACH:** REACH regulation is adopted by the European Union to improve protection of human health and environment from the risks that can be posed by the Chemicals. REACH stand for Registration, Evaluation, and Authorisation of all Chemical Substances. DMCC (Europe) GmbH (Formerly Borax Morarji (Europe) GmbH) has registered several products under the REACH Regulations and your company continues to take advantage of this registration.

f) **Certificate of Merit from 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.

g) **Certificate of Merit from CHEMEXIL:** Your Company is awarded with "Certificate of Merit" for the Outstanding Export performance in FY 2017-18. The Award was presented by Smt. Anupriya Patel, Hon'ble Union Minister of State for Commerce and Industry, Govt. of India at 47th Export Awards ceremony of CHEMEXCIL held on April 15, 2023 at Mumbai.

h) **Award from FICCI for Efficiency in Water Usage:** Your Company was accredited with FICCI Chemicals & Petrochemicals award 2022. The award is recognition for Efficiency in Water Usage in Chemicals.

AUDITORS

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

The Auditors' Report on the financial statements of the Company for the financial year ended March 31, 2023 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 41 years. Rahul Gautam Divan & Associates have associated offices in Ahmedabad, with resident partners at the associated office. Rahul Gautam Divan & Associates have been involved in the Statutory Audits and also Internal Audits of various companies, and have the wide experience to conduct the statutory audit of the Company.

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

c) **Cost Auditors:** The Cost Records of the Company are maintained in accordance with the provisions of Section 148(1) of the Companies Act, 2013. The Cost Audit Report, for the financial year ended March 31, 2022, 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, 2024.

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, 2023 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, 2024 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/COP 6632) were appointed to conduct the secretarial audit of the Company for the financial year 2022-23.

SECRETARIAL AUDIT REPORT

The Secretarial Audit Report for the FY 2022-23 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.

COMPLIANCE MONITORING

Your Company has set up a Compliance Management System for effectively monitoring and ensuring compliances applicable to the Company.

MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES

The particulars of employees as required under section 197 of the Companies Act, 2013 (the Act) 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, 2023 have been furnished and are provided in **"Annexure IV"** to this Report. Further disclosure required under Para IV of Section II of Part II of Schedule V of the Companies Act, 2023 is provided in the Corporate Governance Report.

In terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. The said information is available for inspection by the Members at the Registered Office of the Company on any working day of the Company up to the date of the 102nd 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 ₹ 135.50 lakhs and as on March 31, 2023 fixed deposit aggregating to ₹ 948.50 lakhs are outstanding. There are no fixed deposits remaining unpaid or unclaimed as at the end of the year. Further, no amount of principal or interest was outstanding or in default as on March 31, 2023.

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 was ₹ 0.20 lakhs. During the year 2022-23, the ₹ 0.10 lakhs were claimed by the Deposit holder. Thus, as on March 31, 2023, the unclaimed matured deposits are ₹0.10 lakhs.

UNPAID/UNCLAIMED DIVIDEND

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

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

The dividend for the following years if remaining unclaimed for seven years, will be liable to be transferred by the Company to IEPF according to the schedule given below. Shareholders who have not so far encashed their dividend warrant or have not received the same are requested to seek issue of duplicate warrant by writing to Link in time 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
2021-22 Final Dividend	14-09-2022	12-10-2029

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.

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 said investment 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 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 Auditors, Statutory Auditors, Cost Auditors, 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, 2023.

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, 2023, the applicable Accounting Standards have been followed and that there are no material departures;

b) that 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, 2023 and of the profit of the Company for the year ended on that date;

c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that the annual accounts have been prepared on a going concern basis;

e) that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

CORPORATE GOVERNANCE

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

BUSINESS RESPONSIBILITY SUSTAINABILITY REPORT

In terms of Regulation 34(2)(f) of the Listing Regulations and SEBI vide its General Circular No. SEBI/LAD NRO/GN/2021/22 dated May 10, 2021, detailed information on the initiatives taken by the Company from an environmental, social and governance perspective is provided in the Business Responsibility Sustainability Report and included in this Annual Report.

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

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

WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors' and employees 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 https://www.dmcc.com/Media/pdf/Whistle-Blower-Vigil-Mechanism_DMCC.pdf

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has a Policy on Corporate Social Responsibility and the same has been posted on the website of the Company at https://www.dmcc.com/Media/pdf/CSR-Policy_DMCC.pdf 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, 2023.

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 2022-23 is uploaded on the website of the Company and the same is available at the website of the Company at https://www.dmcc.com/investor/statutory-information/annual-returns

COMPLIANCE WITH THE SECRETARIAL STANDARD

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

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT IN TERMS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

During the year 18009 Nos. of Shares were transferred to Unclaimed Suspense Account and thereafter the said shares were transferred from Unclaimed Suspense Account to the Company's Unclaimed Suspense Demat Account.

Description		Unclaimed Suspense Account	Demat Suspense Account
a.	aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	NIL	NIL
b.	number of shareholders who approached listed entity for transfer of shares from suspense account during the year	Not Applicable	Not Applicable
c.	number of shareholders to whom shares were transferred from suspense account during the year;	NIL	NIL
d.	aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL	18009

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

Further as per the SEBI Guidelines, the Company has also opened a suspense Escrow Demat Account and as on March 31, 2023, no shares are lying unclaimed in the said account.

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 the 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 THROUGH ELECTRONIC MODE

In compliance with the provisions of MCA vide its Circular No. 10/2022 dated December 28, 2022, and SEBI circular dated January 05, 2023 has dispensed with the printing and despatch of hard copies of annual reports to shareholders. Hence, the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email IDs are available with the Company/Depositories/RTA. The Annual Report 2022-23 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 Board of Directors of your Company is pleased to acknowledge with gratitude the cooperation and continued support extended by shareholders, customers, suppliers, and contractors, various departments of Central and State Governments and Banks. The relations between the employees and the management continue to be cordial. Your Directors place on record their appreciation of the sincere and devoted efforts of the employees at all levels and their continued co-operation and commitment.

For and on behalf of the Board

Laxmikumar Narottam Goculdas
Chairman
DIN: 00459347

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

Place: Mumbai
Date: May 17, 2023

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 continues to explore the resources and possibilities to operate in a more sustainable manner.

The Company continues to generate electricity of approx. 7,200 Units per day from 0.5 MW Turbine Generator (TG) at Roha through the Waste Heat generated from the Sulphuric Acid Plant at Roha. Further, the Company is in the process of installing of 2.0 MW Turbine Generator (TG) at Roha in place of its existing 0.5 MW which would be in operation by August 2023, with this capacity the Company will generate approximately 25000 Units per day.

Further at Dahej Plant, the Company has installed 2.0 MW Turbine Generator (TG) which is generating electricity of approx. 34000 Units per day.

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

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

d) **Effluent Water Recycling:** With effluent water recycling in cooling towers, the Company saves about 120 m^3 fresh water per day from MIDC by using new technology i.e. SCALEBAN technology.

e) **STP Unit:** At Roha Plant the Company has a Sewage Treatment Plant (STP) with a capacity of 20 m^3 of water per day. The treated water in STP is used for gardening and other permitted uses and at Dahej the commissioning of STP reduces the load of ETP by 20 m^3 per day and also saving of fresh water from GIDC approx. 20m^3 per day.

f) **Coal Elimination:** The Company has discontinued the use of Coal Fired Boiler on the commissioning of the Sulphuric Acid Plant at Dahej, whereby substantially reduction in the coal requirement and carbon emission has been achieved.

g) **R.O. Unit:** The Company has installed RO plant with a capacity of 65 m^3 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 m^3 per day. The company is in the process of installing 200m^3 per day RO Plant in ETP at Dahej, to recover approximately 150 m^3 fresh water per day, which will be operated by June 2023.

h) **Supply of Steam to neighbouring units:** At a combined level, both of the plant locations of the Company i.e. Roha and Dahej, supplies about 300 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) at Roha with a capacity of 10 m^3 per day: ₹ 18.00 lakhs.

b) Turbine Generator for 2 MW at Roha: ₹ 13.00 Crores.

Conservation of Energy Power and Fuel Consumption

Particulars	April 2022 to March 2023	April 2021 to March 2022
Electricity Purchased		
- Units (lakhs in KWH)	128.26	137.16
- Total Amount (₹ in lakhs)	1,225.75	1,004.44
- Rate/Unit (₹/KWH)	9.56	7.32
Furnace Oil-Consumed		
- Quantity (MT)	153.50	37.42
- Total Amount (₹ lakhs)	77.08	14.49
- Average Rate (₹/MT)	50,215	38,721

Particulars	April 2022 to March 2023	April 2021 to March 2022
Diesel-Consumed		
- Quantity (K. Litre)	69.72	201.77
- Total Amount (₹ lakhs)	67.42	189.16
- Average Rate (₹/KL)	96.01	93.75
LPG-Consumed		
- Quantity (KG)	97,817	27,016
- Total Amount (₹ lakhs)	86.04	24.61
- Average Rate (₹/KG)	87.96	91.09
Coal		
- Quantity (MT)	436.25	2,648.76
- Total Amount (₹ lakhs)	51.97	230.26
- Average Rate (₹/MT)	11,912.34	8,693.09
PNG		
- Quantity (SCM)	1,36,770	1,61,064
- Total Amount (₹ lakhs)	104.83	88.42
Average Rate (₹/SCM)	76.65	54.90
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 (DSIR), 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:

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

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

iii. Launching new products and for troubleshooting of existing products.

The Company has an on - going process of Research & Development and the Company continues its efforts to assimilate 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.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

Increased production capacity, cost reduction, improvement in quantity and flexibility to meet market demands, and reduction of carbon emission.

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

(a) the details of technology imported;

(b) the year of import;

(c) whether the technology been fully absorbed;

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

} Not Applicable

iv. The expenditure incurred on Research and Development:

(₹ in lakhs)

Particulars		April 2022 to March 2023	April 2021 to March 2022
(i)	Capital	-	27.15
(ii)	Recurring	125.91	166.86
(iii)	Total	125.91	194.01
(iv)	Total R and D expenditure as a percentage of sales turnover	0.33%	0.59%

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

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

Future plan of action:

- Studies on the development of new Products and formulations with special emphasis on value addition.
- Focus on sulphonation and allied Chemistry to develop new processes.
- Focus on Boron chemistry and allied products to develop new 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 2022 to March 2023	April 2021 to March 2022
Earnings In Foreign Exchange:		
Export of goods calculated on FOB basis	11,522.78	8,186.10
Total Foreign Exchange earned	**11,522.78**	**8,186.10**
Outgo In Foreign Exchange:		
(1) Value of imports calculated on CIF basis on Raw Materials and bought outs	1,645.96	1,484.23
(2) Expenditure in foreign currency On Account Of Foreign Tours, Subscription, Etc.	114.24	100.65
Total Foreign Exchange outgo	**1,760.20**	**1,584.88**

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.

Place: Mumbai
Date: May 17, 2023

Annexure II to The Directors' Report

ANNUAL REPORT ON CSR ACTIVITIES (FY 2022-2023)

1. Brief outline on CSR Policy of the Company

At DMCC Speciality Chemicals Limited (Formerly known as "The Dharamsi Morarji Chemical Company Limited") ("DMCC"), CSR has been led by a principled approach by governing itself in an ethical, accountable, sustainable and transparent manner. The Company caters to projects that have a focus towards 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 Thakorlal Ankleshwaria	Non-Executive, Independent	1	1
Shri Mukul Manoharlal Taly	Non-Executive, Independent	1	1
Shri Sanjeev Vishwanath Joshi	Non-Executive, Independent	1	1

3. Provide the web-link where 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 2022-23 is available on the website of the Company at www.dmcc.com

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

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

5.

(a)	Average net profit of the company as per section 135(5)	:	₹ 3,189.87 lakhs
(b)	Two percent of average net profit of the company as per sub section (5) of section 135	:	₹ 63.80 lakhs
(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	:	NIL
(d)	Amount required to be set off for the financial year, if any	:	₹ 1.14 lakhs
(e)	Total CSR obligation for the financial year [(b) + (c) – (d)]	:	₹ 62.66 lakhs

6.

(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	:	₹ 65.22 lakhs
(b)	Amount spent in Administrative Overheads	:	NIL
(c)	Amount spent on Impact Assessment, if applicable	:	Not Applicable
(d)	Total amount spent for the Financial Year [(a) + (b) + (c)]	:	₹ 65.22 lakhs

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

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

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

Sl. No.	Particular	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	63.80
(ii)	Total amount spent for the Financial Year	65.22
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.42
(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)]	1.42

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

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

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

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

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

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

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

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

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

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

Place: Mumbai
Date: May 17, 2023

Annexure III to The Directors' Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

(For the Financial Year ended March 31, 2023)

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

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DMCC SPECIALITY CHEMICALS LIMITED** (Formerly known as The Dharamsi Morarji Chemical Company Limited) (CIN: L24110MH1919PLC000564) having its registered office at Prospect Chambers 317/21D 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 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, 2023, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time:
    a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable as the Company has not issued any further capital under the regulations during the period under review);
    d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable as the Company does not have ESOP Scheme/shares);
    e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable as the Company has not issued & listed Debt Securities);
    f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable as the Company has not delisted/proposed to delist its equity shares from stock exchange during the financial year under review); and
    h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable as the Company has not bought back/proposed to buyback any of its securities during the financial year under review);
6. Based on the representation made by the management of the Company, the following laws are specifically applicable to the Company:
    1. The Petroleum Act, 1934;
    2. The Fertilizer (Control) order 1985;
    3. The Arms Act, 2016;
    4. The Chemical weapon convention Act 2000;
    5. The Environment Protection Act, 1986;
    6. The Indian Boilers Act, 1923 & The Indian Boilers Regulations 1950;

7. The Public Liability Insurance Act 1991;
8. The Air (Prevention and Control of Pollution) Act 1981;
9. The Water (Prevention and Control of Pollution) Act 1974;

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above except to the observation that the Company has paid remuneration to the Managing Director & CEO and Executive Director over and above the limits specified under Section 197 and 198 of the Companies Act, 2013 and the rules framed thereunder read with Schedule V. As per the explanations provided to us, the Company is in the process of complying with the prescribed statutory requirements to regularize such excess payment including seeking approval of the shareholders, as necessary.

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

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

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

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

We further report that during the audit period the specific events/actions having major bearing on the Company's affairs in pursuance of the above referred law, rules, regulations, guidelines, standard etc. are mentioned below:

- Company has changed its name from "The Dharamsi Morarji Chemical Company Limited" to "DMCC Specialty Chemicals Limited".

For **SKJ & Associates**
Company Secretaries

Satish Kumar Jain
Proprietor
(FCS: 6398/PCS:6632)
UDIN: F006398E000325024

Place: Mumbai
Date: May 17, 2023

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

Annexure

To The Secretarial Audit Report

To,
The Members,
DMCC SPECIALITY CHEMICALS LIMITED
(Formerly known as The Dharamsi Moraji Chemical Company Limited)
Prospect Chambers 317/21D 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 obtained 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 are 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, 2023.
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: F006398E000325024

Place: Mumbai
Date: May 17, 2023

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.

Sl. No.	Name of the Directors/KMP	Designation	Remuneration of Directors/ KMP for the year 2022-2023 (Amount in ₹)*	% Increase in Remuneration in the year 2022-2023	Ratio of Remuneration to Median Remuneration
1	Shri Laxmikumar Narottam Goculdas	Chairman, Promoter, Non-Executive	12,33,000#	14.06	3.40
2	Ms Mitika L. Goculdas	Vice-Chairperson, Promoter, Non-Executive	4,93,000#	36.94	1.36
3	Shri Madhu T. Ankleshwaria	Non-Executive, Independent	4,93,000#	36.94	1.36
4	Shri Mukul Manoharlal Taly	Non-Executive, Independent	4,93,000#	36.94	1.36
5	Shri Sanjeev V. Joshi	Non-Executive, Independent	4,93,000#	36.94	1.36
6	Dr.(Mrs) Janaki Ashwin Patwardhan	Non-Executive, Independent	4,25,000#	NA@	1.17
7	Shri Bimal Lalitsingh Goculdas	Executive Director, Promoter, Managing Director and CEO	1,86,41,067**	4.70	51.38
8	Shri Dilip Trimbak Gokhale	Executive Director	42,13,683	17.04	13.59
9	Shri Chirag J. Shah	Chief Finance Officer	35,98,596	7.00	9.19
10	Shri Omkar Chandrakant Mhamunkar	Company Secretary & Compliance Officer	16,06,102	10.70	4.43

* 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.

\# Refers to the commission to the Non-Executive Directors for the FY 2021-22, paid during the year 2022-23.

** Includes Performance Linked Incentive for the financial year 2021-22 ₹ 36,98,000/-, paid during the year 2022-23.

@ Dr. (Mrs) Janaki Ashwin Patwardhan was appointed w.e.f. May 21, 2021 and commission was paid to her only for FY 2021-22 onwards.

2. The median remuneration of employees of the Company during the year was ₹ 3,62,841/-.

3. The increase in the median remuneration of employees in the financial year – 11.46%

4. There were 391 permanent employees on the rolls of the Company as at March 31, 2023.

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 14.96%. Whereas average percentile increase in the managerial remuneration (excluding remuneration of Non-Executive Directors) is 3.46%. 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

1. 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 2022-23 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)

Sl. No.	Particulars	Name of Subsidiary DMCC (Europe) GmbH (Formerly Borax Morarji (Europe) GmbH)
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	January 01, 2022 to December 31, 2022
2	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	EURO 1 EURO = 89.38 ₹
3	Share capital	16.77
4	Reserves & surplus	29.46
5	Total assets	61.65
6	Total Liabilities (Excluding Share Capital and Free Reserves)	15.42
7	Investments	-
8	Turnover	26.47
9	Profit before taxation	8.39
10	Provision for taxation	(1.75)
11	Profit after taxation	6.64
12	Proposed Dividend	-
13	% of shareholding	100%

Business Responsibility & Sustainability Reporting Format

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L24110MH1919PLC000564
2	Name of the Listed Entity	**DMCC Speciality Chemicals Limited** (Formerly known as "The Dharamsi Morarji Chemical Company Limited")
3	Year of incorporation	September 25, 1919
4	Registered office address	317/321, Dr. Dadabhoy Naoroji Road, Fort, Mumbai, Pin – 400 001
5	Corporate address	317/321, Dr. Dadabhoy Naoroji Road, Fort, Mumbai, Pin – 400 001
6	E-mail	investor@dmcc.com
7	Telephone	022 22048881/22048882/22048883
8	Website	www.dmcc.com
9	Financial year for which reporting is being done	April 01, 2022, to March 31, 2023
10	Name of the Stock Exchange(s) where shares are listed	**BSE Limited (BSE), Scrip Code:** 506405/DMCC **The National Stock Exchange of India Limited (NSE)** **NSE Symbol:** DMCC
11	Paid-up Capital	₹ 24,93,99,330/- (Equity Share Capital, 24939933 Equity Shares of ₹ 10/- each)
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Omkar Chandrakant Mhamunkar Company Secretary & Compliance Officer Email: omhamunkar@dmcc.com Tel: 022 22048882 (Ext: 104)
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone Basis

II. Products/services

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

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

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

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

III. Operations

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

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

17. Markets served by the entity:

a. Number of locations

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

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

The Company sells its products in India as well as exports to more than 25 countries across the globe. Its export turnover contributes to 27% of the total turnover of the Company in FY 2022-23.

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

IV. Employees

18. Details as of the end of the Financial Year: March 31, 2023

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
			EMPLOYEES			
1.	Permanent (D)	192	173	90.10%	19	9.90%
2.	Other than Permanent (E)	33	29	87.88%	4	12.12%
3.	**Total employees (D + E)**	**225**	**202**	**89.78%**	**23**	**10.22%**
			WORKER			
4.	Permanent (F)	199	199	100.00%	0	0.00%
5.	Other than Permanent (G)	268	257	95.90%	11	4.10%
6.	**Total Workers (F + G)**	**467**	**456**	**97.64%**	**11**	**2.36%**

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
			DIFFERENTLY ABLED EMPLOYEES			
1.	Permanent (D)	1	1	100%	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total employees (D + E)**	**1**	**1**	**100%**	**0**	**0**
			DIFFERENTLY ABLED WORKERS			
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	**Total differently abled Workers (F + G)**	**0**	**0**	**0**	**0**	**0**

19. Participation/Inclusion/Representation of Women

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

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	20.40	-	18.51	15.90	7.14	11.54	23.80	25	24.41
Permanent Workers	10.64	-	10.64	9.70	0.00	4.83	10.00	-	5.00

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

21. (a) Names of holding/subsidiary/associate companies/joint ventures

Sr. No	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	DMCC (Europe) GmbH (Formerly Borax Morarji Europe (GmbH) (Wholly Owned Subsidiary)	The subsidiaries are separate entities and they follow BR initiatives if applicable to them.	100%	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.

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

VI. CSR Details

22. (i) Whether CSR is appli5cable as per section 135 of the Companies Act, 2013: Yes

(ii) Turnover (in ₹): ₹ 38,147.93 lakhs (Standalone)

(iii) Net worth (in ₹): ₹ 19, 825.45 lakhs (Standalone)

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark
Communities	Yes, a mechanism is in place to interact with community leaders to understand and address their concerns, if any.	NIL	NIL		NIL	NIL	
Investors (other than shareholders)	Yes, a mechanism is in place to interact with investors by way of Investor Con-Calls and also through the dedicated e-mail id i.e. investor@dmcc.com to understand and address their concerns, if any.	NIL	NIL		NIL	NIL	
Shareholders	Yes, a mechanism in place, Secretarial Department/RTA address the grievance of the Shareholders. Also shareholders has option to report their grievance on SEBI Scores at https://scores.gov.in/scores/Welcome.html	5	NIL		4	1	Refer Note 1

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark
Employees and workers	Yes, a mechanism is in place, HR and Admin department administer the complaint.Moreover, Company also has Whistle Blower Policy https://www.dmcc.com/Media/pdf/Whistle-Blower-Vigil-Mechanism_DMCC.pdf	NIL	NIL		NIL	NIL	
Customers	Yes, a mechanism in place. Sales & Marketing team interacts with customers to address their complaints and grievances.	NIL	NIL		NIL	NIL	
Value Chain Partners	Yes, a mechanism is in place to interact with Value Chain Partners to understand and address their concerns, if any.	NIL	NIL		NIL	NIL	
Other (including Contract Workers, Trainees)	Yes, a mechanism is in place. HR and Admin department overseas the same.	NIL	NIL		NIL	NIL	

Note 1: The Complaint was resolved within the prescribed time. The same was pending as it was received at the end of the year.

24. Overview of the entity's material responsible business conduct issues

Sr. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Health, Safety and Environment	Risk	• Possibility of Non following of safety measures by employees. • Non-awareness of hazardous nature of chemicals.	• Strict adherence to BBS (behavior-based safety system). • Focus on reducing the generation of effluent and arresting at the source.	Incidents impact employee morale and business reputation leading to negative financial implication.
2	Climate Change	Opportunity	DMCC's Commitment for reducing Carbon Emission offers edge over the others due to the DMCC's sustainably driven operations.	-	Initiatives taken around climate change has a positive implication towards business.
3	Intellectual property	Risk	• Leakage of confidential information. • IP rights clashes can happen in collaborative research projects. • IP infringement actions from outside firms.	• Data exchange with vendors/ customer only through secured mode. • Entering into NDA with parties for exchanging information. • Antivirus upgradation.	Impacts the brand reputation in the industry thereby leading to financial loss.

Sr. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Innovation	Risk	Risk of better solutions that meet new requirements, technological advancements, upgradation or existing market needs and changing need of consumer.	• Process and cost optimization of existing 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. • Launching new products and for troubleshooting of existing products.	Failure to meet consumer demand, technological obsolescence may lead losing of customer, market thereby leading to financial loss.
5	Sustained performance & quality	Risk	• Risk of customer being lost, in course of business. • Dissatisfaction amongst the customer due to lack of attention, focus, etc.	• Enhance customer satisfaction. • Providing superior quality solutions. • Taking regular feedback from customers. • ISO Certification and Audit. • Quality Control, Process Control.	Impacts the brand reputation in the industry. there by leading to financial loss.
6	Compliance	Risk	Compliance Updates and Changes, Omission of Compliances	The Company has Compliance Management System which takes care of all applicable compliances applicable to the Company.	Impacts the brand reputation in the industry thereby leading to financial loss and possibly legal action.
7	Human Resource	Opportunity	• Skilled employees and workers form an asset to the Company. • The highly trained employees and worker perform their tasks more efficiently, in less time and with less chances of mistakes/injury.	• Providing a needs-based and innovative range of training courses. • Attracting, developing and nurturing the right talent, ensuring professional development and personal well-being throughout their tenure with the Company. • Providing programmes that are specifically designed for roles which require upgraded skills. • Leadership Training.	Consistent efforts would lead to positive impact due to improvement in productivity, reduction in defects, etc.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

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

Disclosure Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
Policy and management processes									
1 a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	The Corporate policies of the Company can be viewed at www.dmcc.com under weblink https://www.dmcc.com/investor/corporate-governance/policies-and-codes. Some of the policies of the Company are accessible only to employees and other internal stakeholders.								
2 Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	-	Y	Y
3 Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	-	Y	Y
4 Name of the national and international codes/ certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g.SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	Y	-	-	-	Y	-	-	Y
	• Both of the Company's Plants are ISO 9001:2015 Certified • Company's Roha Plant has received Responsible Care Certification.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	N	N	N	N	N	N	N	N	N
	The Company is committed to progress towards various sustainability initiatives such as carbon neutrality, water positivity, zero plastic waste, soil conservation, protection of flora and fauna, education, social empowerment, women empowerment, healthcare etc. by way of adopting the reasonable and feasible changes in its existing operations as well as by through Corporate Social Responsibility initiatives. The aim of the Company broadly fits into the above nine (9) principles as well as United Nations Sustainable Development Goals. The Company is in process to define the measurable targets and commitments with the timelines for specific areas.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	Not Applicable								
	As detailed in Point No. 5 above, the Company is in process to defined the measurable targets and commitments. However, the Company continues to ensure effectiveness as well as improvement in its conduct to achieve the commitments as mentioned in above para.								

Governance, leadership and oversight

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

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

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

10 Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Policies wherever stated have been approved by Board/Committees of Board/Senior Management of the Company. Polices and performance against policies are reviewed at periodic intervals in all aspects including statutory requirements depending on the frequency stated in respective policies or on need basis whichever is earlier and necessary updates are made to the policies.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company has necessary procedures in place to ensure the compliance with all relevant regulations.																	

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No. However all policies and processes are subject to audits/reviews done internally in the Company from time to time. The working of the policies is subjected to observations/comments during the course of the normal functioning of the Company and partly during audits of Responsible Care, Together for Sustainability (TFS) and ISO.								

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

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

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

Essential Indicators

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

	Total training and awareness	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	Please refer Note i below	100%
Key Managerial Personnel	4	POSH, CSR, Code of Conduct, PIT Regulations, Leadership	100%
Employees other than BOD and KMPs	87	POSH, PIT, Induction, Health & Safety	100%
Workers	90	POSH, Induction, Health & Safety	100%

Note:

i. During the year 2022-23, the Board of Directors were familiarised with the update at Board and Committee Meeting. Independent Directors in their capacity as members of various Committees of the Board were informed on developments relating to various topics such as regulatory, economic and operating environmental changes, new business initiatives, Corporate Governance, Compliance, Sustainability Initiatives, Corporate Social Responsibility (CSR), Information Technology and Risk Management, Company strategy, performance and growth plans. Updates on performance review, strategy and key regulatory developments are presented at the quarterly board meetings. The Board and Audit Committee is updated on key compliance, risk and audit observations, impact arising out of the issues along with management action plans. Considering all of the above, approximately 15 hours have been spent during the year 2022-23 by the Board of Directors on various familiarisation programmes during Board/Committee meetings.

ii. For Employees including Key Managerial Person Employees are required to annually confirm that they have read and understood the Code. All new employees are also required to confirm that they have read and understood the Code at the time of their induction. In addition, the Company has instituted several policies to ensure adherence to existing statutory laws and regulations such as the Prevention of Sexual Harassment (POSH) at the Workplace, Whistle Blower Policy, Code of Conduct, Prevention of Insider Trading.

2. Details of fines/penalties/punishment/paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	NIL	**NIL**	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding fee	NIL	NIL	NIL	NIL	NIL

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

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

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

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

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

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

	FY 2022-23	FY 2021-22
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

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

	FY 2022-23		FY 2021-22	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

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

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics/principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
32	Transportation of hazardous goods, MSDSFirefighting training, Chemical safety, confined space entry, cylinder safety, electrical work permit, fire safety, first-aid training, forklift safety, Induction safety, LOTO permit, material handling, roof work permit, visitor safety, working at height.	Transporters: -100% (15 Nos.) Contractors training: -100% (14 Nos.) Employees: -60%

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

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

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

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

Essential Indicators

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

	2022-23	2021-22	Details of improvements in environmental and social impacts
R & D	100%	100%	All R & D at expenditure are focused at Sustainable technology and development
Capex	-	-	-

2.

a. **Does the entity have procedures in place for sustainable sourcing?:** Yes

b. **If yes, what percentage of inputs were sourced sustainably?**

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

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

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

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

Leadership Indicators

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

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

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

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

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry): Not applicable. We are a Speciality Chemicals Company and we cannot use recycled or reused input materials in the manufacturing process due to the nature of products.

Name of Product/Service	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
NA	NA	NA
NA	NA	NA

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

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E - waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste	NA	NA	NA	NA	NA	NA

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

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

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

Essential Indicators

1.

a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	173	173	100%	173	100%	0	0	0	0	0	0
Female	19	19	100%	19	100%	19	100%	0	0	0	0
Total	**192**	**192**	**100%**	**192**	**100%**	**19**	**9.90%**	**0**	**0**	**0**	**0**
Other than Permanent employees											
Male	29	29	100%	29	100%	0	0	0	0	0	0
Female	4	4	100%	4	100%	0	0	0	0	0	0
Total	**33**	**33**	**100%**	**33**	**100%**	**0**	**0**	**0**	**0**	**0**	**0**

b. Details of measures for the well-being of workers:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	199	199	100%	199	100%	0	0	0	0	0	0
Female	0	0	0	0	0%	0	0	0	0	0	0
Total	**199**	**199**	**100%**	**199**	**100%**	**0**	**0**	**0**	**0**	**0**	**0**
Other than Permanent employees											
Male	257	38	15%	257	100%	0	0	0	0	0	0
Female	11	0	0%	11	100%	0	0	0	0	0	0
Total	**268**	**38**	**14%**	**268**	**100%**	**0**	**0**	**0**	**0**	**0**	**0**

2. Details of retirement benefits, for Current FY and Previous Financial Year.

	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	92.71%	99.50%	Yes	92.89%	93.96%	Yes
Gratuity	100.00%	100.00%	Yes	95.43%	100.00%	Yes
ESI	21.35%	17.59%	Yes	19.80%	16.48%	Yes
Others - NPS	8.85%	NIL	Yes	9.64%	NIL	Yes

3. Accessibility of workplaces

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

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

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

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	100%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

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

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

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

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

	FY 2022-23			FY 2021-22		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	NIL	NIL	NIL	NIL	NIL	NIL
- Male	NIL	NIL	NIL	NIL	NIL	NIL
- Female	NIL	NIL	NIL	NIL	NIL	NIL
Total Permanent workers	**199**	**124**	**62.31%**	**182**	**120**	**65.93%**
- Male	199	124	62.31%	182	120	65.93%
- Female	NIL	NIL	NIL	NIL	NIL	NIL

8. Details of training given to employees and workers:

Category	Total (A)	FY 2022-23				Total (D)	FY 2021-22			
		On Health and safety measures		On Skill upgradation			On Health and safety measures		On Skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/A)	Number (F)	% (F/A)
					Employees					
Male	173	108	62.43%	151	87.28%	182	105	57.69%	160	87.91%
Female	19	11	57.89%	19	100.00%	15	8	53.33%	15	100.00%
Total	**192**	**119**	**61.98%**	**170**	**88.54%**	**197**	**113**	**57.36%**	**175**	**88.83%**
					Workers					
Male	199	162	81.41%	168	84%	182	174	95.60%	93	51%
Female	0	0	0	0	0	0	0	0	0	0
Total	**199**	**162**	**81.41%**	**168**	**84%**	**182**	**174**	**95.60%**	**93**	**51%**

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

Category	FY 2022-23			FY 2021-22		
	Total (A)	Number (B)	% (B/A)	Total	Total (A)	Number (B)
			Employees			
Male	173	134	77.46%	182	119	65.38%
Female	19	16	84.21%	15	14	93.33%
Total	**192**	**150**	**78.13%**	**197**	**133**	**67.51%**
			Workers			
Male	199	65	32.66%	182	34	18.68%
Female	0	0	0%	0	0	0%
Total	**199**	**65**	**32.66%**	**182**	**34**	**18.68%**

10. Health and safety management system:

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

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

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The Company has a process for Risk Management which is essential for preventing incidents, injuries, occupational disease, emergency control & prevention and business continuity. Considering the hazards associated with operations and hazardous chemicals used, sites have deployed structured Hazard Assessment. The process also considers roles and responsibilities, monitoring control measures, competency training and awareness of individuals associated with such activities.

The Company has in place following processes to identify work related hazards and assess risks on a routine and non-routine basis such as Plant Safety Inspection, HIRA (Hazard Identification & RISK Assessment), HAZOP (Hazard Operability) Study, Safety Round observations on daily basis, Near-miss reporting, Management of change process, Contractor Safety Management, Fire Detection Protection Management and Gas leak detection Management.

For all activities including routine or non-routine permit system is implemented and hazards are identified by Safety Officer and risk assessment and management is done through Job Safety Analysis (JSA)/Standard Operating Procedure (SOP) which is referred before starting any activity.

On a day-to-day basis unsafe conditions and hazards are also identified by employees and reported to Safety Officer. Storing and handling of toxic chemicals are identified as the major process hazards at the site for which the Company has carried out HAZOP study and periodical internal audit.

c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes, we encourage our employees and workers to report near-miss incidents identified if any to the Safety Officer of the concerned site. DMCC has established following processes for workers to report the work related hazards.

- Safety committee meeting is being conducted every month which includes equal representative of workers &staff. The points raised in the meeting is discussed for its compliance.
- Near miss reporting registers are available in all plants for reporting near miss for workers & its review meeting is conducted for its status of compliance
- HIRA (Hazard Identification & RISK Assessment) is being conducted for each & every activity of process in which hazards are identified & are complied.

d. **Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)**

Yes, employees are covered under health insurance scheme/ ESI scheme (as per applicability). Also the Company has access to non-occupational medical and healthcare services either onsite or through ties up with reputed medical entities in close proximity. In addition, persons are trained in first aid with reputed first aid training centres.

11. Details of safety-related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	1.9
Total recordable work-related injuries	Employees	1	-
	Workers	-	1
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

At DMCC, safety is our first priority. We continuously strive to create a work environment that is free from any occupational hazards. Hazard identification, Risk Assessment and Management is done in accordance with HAZOP Study and Job Safety Analysis (JSA) Procedure. Safety Committees are in place to review the adequacy of resources for safety and to provide support for safety management. Routine walk through Plant round is done by Safety Officer.

Periodic Review of Safety Management System is carried out by the Safety Officer.

Further Plant Safety Inspection of all process/work place is carried out regularly. Deployment of safe and healthy system of work is assured though periodic safety audits. Medical examination of all employees including contractors is carried out to monitor their health status and Training programs related to health are conducted by factory Medical officer for employees and Workers.

13. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NIL	NIL	NIL	NIL
Health & Safety	NIL	NIL	NIL	NIL	NIL	NIL

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% by Statutory Authority and Third Party Audit such as Responsible Care Audit
Working Conditions	100% by Statutory Authority and Third Party Audit such as Responsible Care Audit

DMCC's Roha site is certified under "Responsible Care" Compliance with safe working conditions is an essential aspect of EHS management systems. In addition, all DMCC's Units undergo internal plant safety inspection.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

All the safety related incidents are displayed on LED screen on the same day of incident. The root cause analysis of incident is being done with involvement of management staff & workers. Accordingly, incident investigation is being done by taking corrective measures & preventive measures, its target dates & status of compliance.

Significant risk arising from assessments of health & safety practices and working conditions are addressed through Elimination of manual job by use of technology, monitoring, supervision etc.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N):** Yes

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners:** The Company monitors remittance of statutory dues by value chain partners as part of processing their bills on a regular basis with periodic audits.

3. **Provide the number of employees/workers having suffered high consequence work- related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	NA	NA	NA	NA
Workers	NA	NA	NA	NA

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?: (Yes/No)**

   Subject to requirements, the Company provides opportunities for engagement on specific projects/assignments across the organisation.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	In all of our dealings, the Company expects its value chain partners to uphold the same values, beliefs, and business ethics as the Company. However no formal examination of value chain partners has been conducted.
Working Conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners:** Not Applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company has identified Internal and external group of stakeholders. Which includes Employees, Workers, Shareholders, Customers, Communities, Suppliers, regulators, lenders, research analysts, and non-governmental organizations, amongst others.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Annual General Meeting, shareholder meets, email, Stock Exchange intimations, investor presentation/analysts investor meet/conference calls, annual report, quarterly results, press release, Company's website, Stock Exchange's website.	Ongoing	Keeping Shareholders updated about the Company's business, Answering their queries, understanding shareholders expectation.
Employees and Workers	No	Senior leaders' communication, Setting up KRA, KPI, performance appraisal meetings/review, exit interviews, union meetings, welfare initiatives, email, circulars, websites, HRMS (System), Presentation, Trainings etc.	Ongoing	To create an effective communication channel and inform employees on key developments within the Company; align them to the shared purposes of the Company. Taking employee feedback, suggestions, and ideas.
Customers	No	Customer meets, mailers, brochures, social media, website and feedback.	Ongoing	To ensure good customer relationships. Business Development, Customer Satisfaction and Retention. Understanding customer expectation.
Research Analysts	No	Website, social media, Email, Earnings Call (Conference Call) and forums.	Ongoing	Keep abreast of developments of the Company and understanding Investors Sentiments.
Suppliers	No	Supplier Assessment, plant visits, MoU, NDA, trade association meets/seminars, professional networks, product workshops.	Ongoing	Quality, timely delivery and payments.
Regulators	No	Advocacy meetings, Seminars, Webinars with local/state/ national government and ministries through industry bodies such as Indian Chemical Council.	Need Based	Appraising the Government about Industry Expectation, challenges faced by Industries etc.
Communities	Yes	Site visits and personal meetings.	Ongoing	Understanding the Community and identifying the scope of improving their livelihood through CSR initiatives.
NGOs	Yes	Emails, Phones, personal meetings and participation.	Ongoing	Ensuing that the CSR amount given by the Company is expended properly.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company management regularly interacts with key stakeholders i.e. investors, customers, suppliers, employees, etc.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.: Not Applicable during the year.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

The Company engages with vulnerable and marginalized stakeholders and support them through its CSR Activates.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	192	192	100%	197	197	100%
Other than permanent	33	33	100%	29	29	100%
Total Employees	**225**	**225**	**100%**	**226**	**226**	**100%**
Workers						
Permanent	199	199	100%	182	182	100%
Other than permanent	268	268	100%	231	231	100%
Total Workers	**467**	**467**	**100%**	**413**	**413**	**100%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Permanent										
Male	173	11	6.36%	162	93.64%	182	11	6.04%	171	93.96%
Female	19	0	0.00%	19	100.00%	15	0	0.00%	15	100.00%
Other than Permanent										
Male	29	14	48.28%	15	51.72%	24	15	62.50%	9	37.50%
Female	4	2	50.00%	2	50.00%	5	3	60.00%	2	40.00%
Workers										
Permanent										
Male	199	4	2.01%	195	97.99%	182	16	8.79%	166	91.21%
Female	0	0	-	0	-	0	0	-	0	-
Other than Permanent										
Male	257	257	100.00%	0	0.00%	231	231	100.00%	0	0.00%
Female	11	11	100.00%	0	0.00%	10	10	100.00%	0	0.00%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/salary/ wages of respective category	Number	Median remuneration/salary/ wages of respective category
Board of Directors (BoD)	4^	4,93,000.00	2	4,59,000.00
Key Managerial Personnel	4*	43,91,143.00	-	-
Employees other than BoD and KMP	170	4,61,841.00	19	3,86,550.00
Workers	199	3,10,116.00	-	-

^Excludes Executive Directors who are KMP. The said category comprises of Non-Executive Directors.

*Includes MD & CEO, Executive Director, Chief Finance Officer (CFO) and Company Secretary (CS)

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. Human Resource Department is responsible for the same.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has Policies on Human Rights which are applicable to all its employees and suppliers & service providers. The said Policies and their implementation are directed towards adherence to applicable laws and upholding the spirit of human rights. The Company has in place a 'Code of Conduct' across Businesses. A Grievance Redressal System to facilitate open and structured discussions is available at all units and locations to ensure that grievances related to labour practices and human rights are addressed and resolved in a fair and just manner.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	NIL	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL	NIL	NIL	NIL
Forced Labour/ Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL	NIL	NIL
Other human rights related issues	NIL	NIL	NIL	NIL	NIL	NIL

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

As part of Whistleblower Policy and POSH Policy, the Company has a section mentioned on the protection of identity of the complainant. All such matters are dealt in strict confidence. Also, as part of its Code of Conduct, the Company does not tolerate any form of retaliation against anyone reporting legitimate concerns. Anyone involved in targeting such a person will be subject to disciplinary action.

8. Do human rights requirements form part of your business agreements and contracts?

Yes. Supplier Code of Conduct covers the same.

9. Assessments for the year:

	% of Value Chain Partners (by value of business done with such partners) that were assessed
Child labour	100% by Statutory Authority
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.: Not Applicable

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.: No such grievances on Human Rights violations.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

At present the Company has not conducted any Human Rights Due diligence. However, Company takes annual affirmation from Suppliers that they have adhere with Supplier Code of Conduct.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The office premises of the Company have elevators and relevant infrastructure for differently abled individuals. Necessary arrangements are in place at factory premises for differently abled visitors.

4. Details on assessment of value chain partners:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	In all of our dealings, the Company expects its value chain partners to uphold the same values, beliefs, and business ethics as the Company. However no formal examination of value chain partners has been conducted.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.: Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	46,173.60 GJ	49,377.60 GJ
Total fuel consumption (B)	32,364.92 GJ	96430.36 GJ
Energy consumption through other sources (C)		
1) Solar	950.52 GJ	877.09 GJ
2) Waste Heat Recovery System	39,996.89 GJ	8,818.91 GJ
Total energy consumption (A+B+C)	**1,19,485.93 GJ**	**1,55,503.96 GJ**
Energy intensity per rupee of turnover (Total energy consumption/turnover in lakhs Rupees)	3.13	4.07

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? No.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.: Not Applicable.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kl)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water (MIDC)/(GIDC)	425330	435979
(iv) Seawater/desalinated water	0	0
(v) Others (Rainwater Harvesting)	3643	3821
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	**428973**	**439800**
Total volume of water consumption (in kiloliters)	**428973**	**439800**
Water intensity per rupee of turnover (Water consumed/turnover in lakhs)	**11.24**	**11.53**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?: No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the Company has implemented partial zero liquid discharge mechanism and aiming to achieve Zero Liquid Discharge at both of its plants.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	Tonnes	465.00	487.38
Sox	Tonnes	1531.06	1592.82
Particulate matter (PM)	Tonnes	925.68	909.27
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	PPM	0.5	0.09
Hazardous air pollutants (HAP)	-	-	-
Others - please specify	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	660.96	1,661.34
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	0.04	0.04
Total Scope 1 and Scope 2 emissions per rupee of turnover	**Metric tonnes of CO2 equivalent**	**661.00**	**1661.38**
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?: No.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, the Company is committed to reduce carbon emission and aiming least dependency on grid power and optimum utilization of power generated thorough waste heat recovery system, Solar system etc. and also aiming to improvise the processes whereby carbon emission can be reduced. Please refer Annexure I to the Board report regarding sustainability initiatives.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	-	-
E-waste **(B)**	0.13	-
Bio-medical waste **(C)**	0.00	0.01
Construction and demolition waste **(D)**	-	-
Battery waste **(E)**	-	-
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)**	2,670.33	1,539.59
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)		
Total (A+B + C + D + E + F + G + H)	**2,670.46**	**1,539.60**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	NA	NA
(ii) Re-used	NA	NA

Parameter	FY 2022-23	FY 2021-22
(iii) Other recovery operations	NA	NA
Total	**NA**	**NA**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.00	0.01
(ii) Landfilling	149.18	192.65
(iii) Other disposal operations	2,521.28	1,346.94
Total	**2,670.46**	**1,539.60**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?: No.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company ensures responsible waste management practices involving 100% recycling of plastic waste through MPCB/GPCB authorised agency.

Moreover, hazardous waste generated within the plant are disposed through the Authorised Agency (MWML) approved by the MPCB/GPCB. Further by product dilute sulphuric acid is raw material for other industries ensuring 100% utilization.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format: Not Applicable.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable					

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non- compliance	Any fines/penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

Sr. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1	Indian Chemical Council (ICC)	National
2	Fertilizer Association of India (FAI)	National
3	Indian Merchant Chambers (IMC)	National
4	CHEMEXCIL (Basic Chemicals, Cosmetics & Dyes Export Promotion Council)	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.: Not Applicable

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA
NA	NA	NA
NA	NA	NA

Leadership Indicators

1. Details of public policy positions advocated by the entity: Not Applicable

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/Others - please specify)	Web Link, if available
1	NA	NA	NA	NA	NA
2	NA	NA	NA	NA	NA

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.: Not Applicable

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: Not Applicable

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
1	NA	NA	NA	NA	NA	NA
2	NA	NA	NA	NA	NA	NA

. Describe the mechanisms to receive and redress grievances of the community:

The Company has a process to receive and redress concerns/grievances received from the community. As a part of CSR Initiative senior leadership interacts with the community on a regular basis.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/small producers	40.45%	28.06%
Sourced directly from within the district and neighboring districts	70.87%	72.43%

Leadership Indicators

5. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): Not Applicable

Details of negative social impact identified	Corrective action taken
NA	NA

36. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:** Not Applicable

Sr. No.	State	Aspirational District	Amount spent (In ₹)
	NA	NA	NA

7. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? (Yes/No)**

The Company does not have any preferential procurement policy but to the certain extent, the Company purchases from MSME

(b) **From which marginalized/vulnerable groups do you procure?**

(c) **What percentage of total procurement (by value) does it constitute?**

8. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Sr. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
	NA	NA	NA	NA

9. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:** Not Applicable

Name of authority	Brief of the Case	Corrective action taken
NA	NA	NA

10. **Details of beneficiaries of CSR Projects:**

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Conservation of Tigers, Protection of Tigers, Flora & Fauna Enhancing coexistence and community cooperation towards the conservation of flagship species in Corbett landscape, Economic upliftment of Fringe Communities	2143	100%
2	Social empowerment for differently abled Students.	536	100%
3	Beach Clean-up, Tree Plantation and Disinfection of Plants	~200	NA
4	Education, Healthcare, Rural Infrastructure and Women Empowerment	~200	NA
5	Education, Healthcare, Rural Infrastructure.	350	43%
6	Hostel for Girls from North East States	35	100%
7	Contribution to free dialysis treatment for the patient	396	100%
8	Creating awareness in communities via snakebite prevention and first-aid workshops. Capacity building of medical staff, community workers, Forest Department staff, village leaders, volunteers and snake rescuers and educational institutions.	35	100%
9	Sterilization and immunization of stray dogs, Awareness about Rabies and issues w.r.t. Dogs and facilitating adoption of abandoned and stray dogs	NA (Animal Welfare)	NA

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company has dedicated email to address consumer enquiries, service, support and feedback. The Complaints if any are escalated and resolved within the time bound period depending on nature of complaint. The Company's Marketing Team interacts with the consumer at regular intervals for addressing the query, grievances and feedback.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	Not Applicable

3. Number of consumer complaints in respect of the following:

Category	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at the end of year		Received during the year	Pending resolution at the end of year	
Data privacy	NIL	NIL	NIL	NIL	NIL	NIL
Advertising	NIL	NIL	NIL	NIL	NIL	NIL
Cyber-security	NIL	NIL	NIL	NIL	NIL	NIL
Delivery of essential services	NIL	NIL	NIL	NIL	NIL	NIL
Restrictive Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Unfair Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Other	NIL	NIL	NIL	NIL	NIL	NIL

4. Details of instances of product recalls on account of safety issues:

	Number	Reason for recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.: Yes. https://www.dmcc.com/Media/pdf/DMCC_Policy_Information-Technology.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

The cyber security for the Company has been outsourced and managed by a leading IT services company. The regular reviews are conducted and corrective actions are taken to improve the cyber security posture. Data privacy requirements are being evaluated with respect to proposed personal data privacy law. The actions will be taken as per data privacy law.

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available): The information on products and services of the entity can be accessed at www.dmcc.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services: MSDS Sheets/Company Brochures

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company's product does not directly fall into the essential service; however, its products find application in various industries which falls under the essential service industries and in case of disruption, the Company informs the consumers through emails and phone calls.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

No. The Company display all the mandatory information as per the applicable laws.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact: NIL

b. Percentage of data breaches involving personally identifiable information of customers: NIL

Report on Corporate Governance 2022-23

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE AND GOVERNANCE STRUCTURE

Your Company strongly believes that its system of Corporate Governance protects the interests of all the stakeholders by inculcating transparent business operations and accountability from management. The Core Values Viz. Sustainability, Excellence, Integrity, Customer Satisfaction and Trust, 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 practising the broad principles of Corporate Governance over the years by placing a strong emphasis on transparency, empowerment, accountability and integrity so as to continuously enhance values for stakeholders, the shareholders, the customers, the employees and the creditors.

Governance Structure

The Corporate Governance structure of the Company is as follows:

i. **Board of Directors:** The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and governance.

ii. **Committees of the Boards (hereinafter called "Committees"):** The Board has constituted the following Committees viz. Audit Committee, NomWination and Remuneration Committee, Corporate Social Responsibility Committee, Independent Directors' Committee, Stakeholders Relationship Committee and Risk Management Committee. Each of the said committees has been mandated to operate as per the terms of reference including the express provisions regarding roles and responsibilities as per the applicable laws.

2. BOARD OF DIRECTORS

a) Composition & Size of the Board

The Board is headed by Shri Laxmikumar Narottam Goculdas, Non-Executive Chairman and Promoter of the Company and is comprised of eminent persons having in-depth knowledge of business and industry.

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors with two Women Directors, one of them being Independent. As on March 31, 2023, the Board of Directors of the Company comprises eight (8) Directors, out of which two (2) are Non-Executive Non-Independent Directors, four (4) are Independent Directors and two (2) are Executive Directors.

The composition of the Board of Directors meets the requirement of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ('Listing Regulations') as amended from time to time as detailed in the table at Para 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 Act, 2013 read with Rules made thereunder ("the Act"), except meeting of the Board on February 10, 2023, which was held in person, all other meetings of the Board were held through Audio Visual Means.

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.

c) Intimation given to the Board

The Company provides the information as set out in Regulation 17 (7) read with Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") to the Board and 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 for the necessary action.

e) Board Support

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

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

Five (5) meetings of the Board were held during the financial year ended March 31, 2023. The interval between the 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 24, 2022, August 12, 2022, September 14, 2022, November 07, 2022 and February 10, 2023.

Attendance of each Director at the Board Meetings held during the financial year ended March 31, 2023 and the last Annual General Meeting held on September 14, 2022 and No. of other Directorships/Memberships of the Committee and other relevant details are as under:

Sr. No.	Name of Directors	Category of Directorship (designation as on March 31, 2023)	No. of Board Meetings attended (out of 5 Meetings held)	Attendance at last AGM held on September 14, 2022	No. of other Directorships as on March 31, 2023#	No. of Board Committees of other companies in which Chairman, as on March 31, 2023	No. of Board Committees of other companies in which Member, as on March 31, 2023$	Names of other Indian listed entities where the person is a director and the category of directorship as on March 31, 2023
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	5	Yes	NIL	NIL	NIL	NIL
7	Shri Bimal Lalitsingh Goculdas DIN 00422783	Executive Director, Promoter Group, Managing Director, and Chief Executive Officer	5	Yes	NIL	NIL	NIL	NIL
8	Shri Dilip Trimbak Gokhale DIN 06734397	Executive Director	5	Yes	NIL	NIL	NIL	NIL

@ Non-Executive Independent Director in Avik Pharmaceuticals Limited.

Number of Directorships held in other public companies excludes Directorship of DMCC Speciality Chemicals Limited (Formerly known as "The Dharamsi Morarji Chemical Company Limited"), Directorships in private companies, foreign companies, companies under Section 8 of the Companies Act, 2013 and alternate Directorships.

$ Only Membership/Chairmanship of Audit Committee and Stakeholders' Relationship Committee of listed and unlisted public limited companies excluding DMCC Speciality Chemicals Limited (Formerly known as "The Dharamsi Morarji Chemical Company Limited") are considered.

Memberships or Chairmanships of the stipulated Board Committees held by all Directors are within the limits specified under Regulation 26(1) of the Listing Regulations. Further, None of the Directors holds Directorships in more than 20 Companies including 10 Public Companies pursuant to the provisions of Section 165 of the Companies Act, 2013. Further, the other directorships held by all Directors including Independent Directors are within the limit prescribed under Listing Regulations.

g) Disclosure of Relationship between directors inter-se

None of the Directors of the Company except Shri Laxmikumar Narottam Goculdas (father of Ms. Mitika Laxmikumar Goculdas and uncle of Shri Bimal Lalitsingh Goculdas), Ms. Mitika Laxmikumar Goculdas (Daughter of Shri Laxmikumar Narottam Goculdas and cousin of Shri Bimal Lalitsingh Goculdas) and Shri Bimal Lalitsingh Goculdas, 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, MD & CEO also have one-to-one discussions with the newly appointed Directors to familiarise him/her with the Company's operations. Further, the Company has put in place a system to familiarise the Independent Directors about the Company, its products, and the business and the on-going events relating to the Company and also regulatory updates having an impact on the Company. The details of the familiarization programme of the Independent Directors are available on the website of the Company at www.dmcc.com under Investor Section.

i) Matrix of skills/competence/expertise of Directors

Pursuant to the Listing Regulations, the following matrix summarises a list of core skills/expertise/competencies identified by the Board as required in the context of its business and the sector in which the Company operates:

Industry Knowledge/Experience	Technical Skills/Expertise/Competencies	
Industry Experience	Finance & Accounting	Business Administration
Knowledge of the Chemical Sector	Legal	Strategy and Business Development
International Business	Compliance and Governance	Human Resource Management
Supply Chain Management	Information Technology	Risk Management
Financial Management	Public Relation	Leadership and Business Administration

The Company's Board comprises a qualified member who possesses the aforesaid knowledge, experience, technical skills, expertise and competencies for effective contribution to the Board and its committee. Details of the skills/expertise/ competencies possessed by the Directors who were part of the Board as on March 31, 2023 are as follows:

Sr. No.	Name of Directors	Brief Description of Experience Technical Skills/Expertise/Competencies
1	Shri Laxmikumar Narottam Goculdas	51+ years' experience in Industry. Extensive Leadership, Business Administration, wide knowledge of Trade, Commerce, Strategy, Corporate Restructuring, Corporate Affairs, Public Relations and International Trade.
2	Ms. Mitika Laxmikumar Goculdas	25+ years' experience in Industry. Extensive Leadership, Business Administration, wide knowledge of Trade, Commerce, Strategy, Corporate Restructuring, Corporate Affairs, Finance, Public Relations and International Trade.
3	Shri Bimal Lalitsingh Goculdas	31+ years' experience in Industry. Leadership and Business Administration, Wide Knowledge and experience in Industry, Trade, Commerce, Strategy, Corporate Affairs, Technical, Public Relations, Corporate Finance, and International Trade.
4	Shri Dilip Trimbak Gokhale	34+ years' experience of Secretarial, Legal, Corporate Governance, Finance, HR & Administration, Insurance, Public Relations and Internal Audit etc.
5	Shri Madhu T. Ankleshwaria	41+ years' experience in Finance and Accounting, Auditing, Internal Audit, Insurance, Foreign Trade, Taxation, Financial Management, Risk Management, Corporate Restructuring, Due Diligence, Corporate Governance and Strategy.
6	Shri Mukul Manoharlal Taly	39+ years' experience in Legal, Compliance and Governance, Taxation, Insurance, Foreign Trade, Risk Management, Strategy, Finance, International Business, Corporate Restructuring and Due Diligence.
7	Shri Sanjeev V. Joshi	36+ years' experience in Finance and Accounting, Auditing, Internal Audit, Taxation, Foreign Trade, Financial Management, Risk Management, Corporate Restructuring, Due Diligence, Corporate Governance and Strategy.
8	Dr. (Mrs) Janaki Ashwin Patwardhan	23+ years' experience in Chemical and Pharmaceutical Industry. Expertise in Process Engineering, Health and Safety, Plant design and Techno Commercial Feasibility studies, ISO Audit and 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 a declaration of independence pursuant to Section 149 (7) of the Companies Act, 2013 and Regulation 25(8) of the Listing Regulations that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The said declaration of independence was reviewed and taken on record by the Board and in the opinion of the Board, all Independent Directors of the Company 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 the 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 has resigned before the expiry of their respective tenures during the financial year 2022-23.

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 09, 2023 in which all independent directors attended the meeting.

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

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

b) Evaluation of the performance of the Chairperson and Vice Chairperson of the Company, taking into account the views of Non-Executive Directors; and

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

3. AUDIT COMMITTEE

a) Terms of Reference, Composition and Meetings

The terms of reference of the Audit Committee cover matters specified under Part C of Schedule II of Listing Regulations and Section 177 of the Companies Act, 2013 as amended from time to time. The terms of reference of the Audit Committee inter alia includes the following matters:

- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the 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 or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- scrutiny of inter-corporate loans and investments;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discussion with internal auditors of any significant findings and follow up there on;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments

existing as on the date of coming into force of this provision;

- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- Carrying out any other function as mentioned in the terms of reference of the Audit Committee and as prescribed under the SEBI Listing Regulations, the Companies Act, 2013 and the Rules made thereunder and any other statutory/regulatory body from time to time.

The audit committee 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).

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 2023, the Audit Committee comprises of 3 Directors/Members out of which 2 are Independent Directors and 1 is Non-Executive Non-Independent (Promoter) Director. Mr. 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 24, 2022, August 12, 2022, November 07, 2022 and February 10, 2023.

The interval between the two meetings was well within the maximum period mentioned under Listing Regulations. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

The composition of the Audit Committee as on March 31, 2023 and changes in composition along with the attendance of members at the Audit Committee Meetings held during the year under review is as under:

Name of Director	Category	Attendance
Shri Sanjeev 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.

4. NOMINATION AND REMUNERATION COMMITTEE

a) Terms of Reference, Composition and Meetings

The terms of reference of the Nomination and Remuneration Committee ("NRC") inter-alia includes the matters stipulated in Point A of Part D of Schedule II of the Listing Regulations and Section 178 of the Companies Act, 2013 as under:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment

as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a) use the services of an external agencies, if required;

b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

c) Consider the time commitments of the candidates.

- formulation of criteria for evaluation of the performance of independent directors and the board of directors;
- devising a policy on diversity of the board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- To do such act as specifically prescribed by Board and Carry out such functions, and is empowered to act, in terms of the Companies Act, 2013, read with rules framed there under and the Regulations framed by the Securities Exchange Board of India, including any amendment or modification thereof.

The Nomination and Remuneration Committee members held their meeting on May 24, 2022 and February 09, 2023, and all the members attended the meeting. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company.

The composition of the committee as on March 31, 2023 and changes in composition along with the attendance of members at the Committee Meetings held during the year under review is as under:

Name of Director	Category	Attendance
Shri Mukul M. Taly (Chairman)	Non-Executive, Independent	2/2
Shri Madhu T. Ankleshwaria	Non-Executive, Independent	2/2
Shri Sanjeev V. Joshi	Non-Executive, Independent	2/2
Ms. Mitika Laxmikumar Goculdas	Non-Executive, Non-Independent, Promoter Director	2/2

b) Performance Evaluation Criteria for Independent Director

The criteria for performance evaluation of the Independent Director included aspects like Qualification and Experience, Competency, Knowledge, fulfilment of Functions, ability to function as team, Initiative, Availability and Attendance, Commitment, Contribution, Integrity, Independence, Independent View and Judgement etc.

Pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by the Listing Regulations, the Board of Directors ('Board') has carried out an annual evaluation of its own performance, and that of its Committees and individual Directors.

This was followed by a Board Meeting on February 10, 2023 that discussed the performance of the Board, its Committees and individual Directors.

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees.

The performance evaluation of the Chairman, Vice-Chairperson, Managing Director and Executive Director ("Non-Independent Directors") were carried out by the independent Directors. The Directors expressed their satisfaction with the evaluation process.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

a) Composition and Meetings

The Stakeholders Relationship Committee comprises of Shri Laxmikumar Narottam Goculdas, (Non-Executive Chairman) as Chairman of the Committee and two other Independent Directors as members of the Committee. The Committee is vested with the requisite powers and authorities. In addition to the Share Transfer-related matters, the committee specifically looks into the redressing of shareholders' and investors' complaints, if any, like delayed transfer of shares, non-receipt of annual reports, non-receipt of declared dividends etc.

Shri Omkar Chandrakant Mhamunkar is the Company Secretary & Compliance Officer of the Company act as the Secretary of the Committee.

Pursuant to Regulation 40 of the Listing Regulations Shri Omkar Chandrakant Mhamunkar, Company Secretary and Compliance Officer is authorised to approve shareholders request w.r.t. Transmission, Name Deletion, Transposition, Issue of Duplicate Shares; and handling all other request(s), grievance(s) of shareholders, including issuing necessary directions to the Registrar and Transfer Agent.

During the year under review, one (1) Committee meeting was held on February 09, 2023

The composition of the committee as on March 31, 2023 and changes in composition along with the attendance of members at the Committee Meetings held during the year under review is as under:

Name of Director	Category	Attendance
Shri Laxmikumar Narottam Goculdas (Chairman)	Non-Executive, Non-Independent, Promoter Director	1/1
Shri Madhu T. Ankleshwaria	Non-Executive, Independent	1/1
Shri Sanjeev V. Joshi	Non-Executive, Independent	1/1

b) Terms of Reference

The role of the Stakeholders Relationship Committee ("SRC") inter alia includes terms of reference as specified in Point B of Part D of Schedule II of Listing Regulations as under:

- Resolving the grievances of the security holders of the Company.
- Review of measures taken for the effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

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

During the year under review, there were five complaints received from the shareholders and those were redressed within the timeline and as on March 31, 2023 no complaint is pending. Shareholders/Investors requests and other correspondence are generally attended to within seven working days except where constrained by disputes or legal impediments. No investor grievances remained unattended/pending for more than thirty days as on March 31, 2023.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

a) Terms of Reference

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Company has constituted Corporate Social Responsibility ("CSR") Committee. The terms of reference of CSR Committee, inter-alia, includes:

- formulating and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- to formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy.
- recommend the amount of expenditure to be incurred on the CSR activities, provide guidance on various CSR activities to be undertaken by the Company.
- monitoring of the execution and implementation of the annual action plan formulated in accordance with this Policy and approved by the Board.
- any other matter as may be entrusted to the CSR Committee by the Board from time to time.

b) Composition, Meeting and Attendance

The CSR Committee members held their meeting on May 24, 2022 and all the members attended the meeting.

The composition of the committee as on March 31, 2023 and changes in composition along with the attendance of members at the Committee Meetings held during the year under review is as under:

Name of Director	Category	Attendance
Ms. Mitika Laxmikumar Goculdas (Chairperson)	Non-Executive, Non-Independent Promoter Director	1/1
Shri Madhu 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

7. RISK MANAGEMENT COMMITTEE

a) Composition

The composition of the Risk Management Committee as on March 31, 2023 and changes in composition along with the attendance of members at the Risk Management Committee meetings held during the year under review is as under:

The Committee met twice during the year i.e. on August 12, 2022 and February 09, 2023. 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 Mukul Manoharlal Taly	Non-Executive Independent	2/2
Dr. (Mrs.) Janaki Ashwin Patwardhan	Non-Executive Independent	2/2
Shri Chirag Jaswant Shah@	Chief Finance Officer	2/2

@ w.e.f. February 10, 2023, Shri Chirag Jaswant Shah ceased to be a member of the Committee owing to his resignation as Chief Finance Officer of the Company.

b) Terms of Reference:

The broad terms of reference of the Committee inter-alia includes:

i. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

ii. To monitor and oversee the implementation of the risk management policy, including evaluating the adequacy of risk management systems;

iii. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

iv. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

v. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

vi. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;

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

8. REMUNERATION TO DIRECTORS

a) Remuneration to Non-Executive Directors

At present, all Non-Executive Directors of the Company are entitled to sitting fees of ₹ 25,000/- each for attending Board as well as committee Meetings.

They are also entitled to receive a commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee within the limit of 1% of net profits u/s 198 of the Companies Act, 2013 as approved by the shareholders of the Company. Details of remuneration paid to non-executive directors during the financial year ended March 31, 2023 are as under:

Sr. No.	Name of Directors	Sitting fees paid for attending the meeting of (in ₹)							Commission (In ₹) *	Total (In ₹)	No. of Equity Shares held as of March 31, 2023
		Board	Audit Committee	Nomination and Remuneration Committee	CSR Committee	Independent Directors Committee	Risk Management Committee	Stakeholders Relationship Committee			
1	Shri Laxmikumar Narottam Goculdas	1,25,000	1,00,000	-	-	-	-	25,000	12,33,000	14,83,000	90,18,420
2	Ms. Mitika Laxmikumar Goculdas	1,25,000	-	50,000	25,000	-	50,000	-	4,93,000	7,43,000	NIL
3	Shri Madhu T. Ankleshwaria	1,25,000	1,00,000	50,000	25,000	25,000	-	25,000	4,93,000	8,43,000	225
4	Shri Mukul Manoharlal Taly	1,00,000	-	50,000	25,000	25,000	50,000	-	4,93,000	7,43,000	NIL

Sr. No.	Name of Directors	Sitting fees paid for attending the meeting of (in ₹)							Commission (In ₹) *	Total (In ₹)	No. of Equity Shares held as of March 31, 2023
		Board	Audit Committee	Nomination and Remuneration Committee	CSR Committee	Independent Directors Committee	Risk Management Committee	Stakeholders Relationship Committee			
5	Shri Sanjeev V. Joshi	1,25,000	1,00,000	50,000	25,000	25,000	-	25,000	4,93,000	8,43,000	4,435
6	Dr. (Mrs.) Janaki Ashwin Patwardhan	1,25,000	-	-	-	25,000	50,000	-	4,25,000	6,25,000	NIL
	Total	**7,25,000**	**3,00,000**	**2,00,000**	**1,00,000**	**1,00,000**	**1,50,000**	**75,000**	**36,30,000**	**52,80,000**	**90,23,080**

*Commission relates to the financial year ended March 31, 2022, which was approved by the Board on May 24, 2022 and to be paid during the financial year 2022-23.

Apart from commission, there are no variable components and performance-linked incentives to the Non-Executive Directors.

There were no convertible instruments held by any Directors of the Company and no stock options are issued to the Directors.

None of the Non-Executive Directors had any pecuniary relationship or transactions with the Company other than the Directors' sitting fees and commission, as applicable, received by them except Shri Laxmikumar Narottam Goculdas and Ms. Mitika Laxmikumar Goculdas who are Promoters of the Company. The Company reimburses the out-of-pocket expenses, if any, incurred by the Directors for attending meetings.

b) Details of remuneration and perquisites paid to the Managing Director and Chief Executive Officer

Details of remuneration paid/payable to the Managing Director and Chief Executive Officer during the financial year March 31, 2023 are as below: (excludes contribution to Gratuity Fund & Leave Encashment on retirement, since same is provided on the actuarial basis for the Company as a whole).

₹ in lakhs

Name and Designation	Salary **	Contribution to PF and Superannuation Fund	Perquisites	Total
Shri Bimal Lalitsingh Goculdas, Managing Director, and Chief Executive Officer	151.84	29.97	4.60	186.41

** Includes Performance Linked Incentive for the financial year 2021-22 ₹ 36.98 lakhs paid during the year 2022-23.

As on March 31, 2023 Shri Bimal Lalitsingh Goculdas holds 97200 Nos. (0.39%) of Equity Shares of the Company of ₹ 10/- each.

No severance fees or stock options are available to the Managing Director and Chief Executive Officer.

The Board of Directors at their meeting held on February 10, 2023 have re-appointed Shri Bimal Lalitsingh Goculdas, Managing Director, and Chief Executive Officer of the Company from April 01, 2023 to March 31, 2026.

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 the Executive Director during the financial year March 31, 2023 are as below:

₹ in lakhs

Name and Designation	Salary	Perquisites	Total
Shri Dilip Trimbak Gokhale, Executive Director	48.48	0.83	49.31

The term of the service contract of Shri Dilip Trimbak Gokhale, Executive Director of the Company, is from May 22, 2021 to May 21, 2024. No severance fees or stock options are available to him. The Contract can be terminated by either side by giving three months' notice. Additionally, the Company however reserves the right to terminate the contract by giving three months' salary and perquisites in lieu of notice.

As on March 31, 2023 Shri Dilip Trimbak Gokhale holds 150 Nos. of Equity Shares of the Company of ₹ 10/- each.

i. Relation of the Executive Director with Directors

Shri Dilip Trimbak Gokhale is not related to any Directors of the Company.

ii. Remuneration Policy

Subject to the approval of the Board and of the Company in General Meeting and such other approvals as may be necessary, the Executive Director is paid remuneration as per the Agreements entered into between him and the Company. The remuneration structure of the Executive Director comprises Salary and other perquisites as applicable.

9. 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
101st AGM for the FY 2021-22	September 14, 2022 at 11.30 a.m.	Held through Other Audio Visual Means (OAVM) as per the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India
100th AGM for the FY 2020-21	September 22, 2021 at 11.30 a.m.	Held through Other Audio Visual Means (OAVM) as per the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India
99th AGM for the FY 2019-20	September 14, 2020 at 11.30 a.m.	Held through Other Audio Visual Means (OAVM) as per the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India

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

1) **At the 101st AGM for FY 2021-22 held on September 14, 2022:**

   i. Special Resolution for (Item 7) Re-appointment of Shri Sanjeev Vishwanath Joshi as an Independent Director of the Company for a second term of five consecutive years commencing with effect from February 14, 2023 to February 13, 2028.

   ii. Special Resolution for (Item 8) Appointment of Shri Mukul Manoharlal Taly as an Independent Director of the Company for a second term of five consecutive years commencing with effect from February 14, 2023 to February 13, 2028.

   iii. Special Resolution for (Item 9) Change of Name of the Company from 'The Dharamsi Morarji Chemical Company Limited to 'DMCC Speciality Chemicals Limited' and consequential amendment to the Memorandum of Association and Articles of Association of the Company.

2) **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 Crores.

   iii. Special Resolution for (Item 11) Approval for Creation of mortgage and/or charge on all or any of the movable and/or immovable properties of the Company not exceeding ₹ 200 Crores.

3) **At the 99th AGM for FY 2019-20 held on September 14, 2020:** NIL

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:** Yes. The Company is scheduled to pass a resolution through postal ballot for a) Re-appointment of Shri Bimal Lalitsingh Goculdas as a Managing Director and Chief Executive Officer for a period of 3 (three) years from April 01, 2023 to March 31, 2026; b)Approval for waiver of excess managerial remuneration paid to Shri Bimal Lalitsingh Goculdas, Managing Director & Chief Executive Officer of the Company for the FY 2022-23; c) Approval for waiver of excess managerial remuneration paid to Shri Dilip Trimbak Gokhale, Executive Director of the Company for the FY 2022-23.

v. **Procedure for Postal Ballot:** The procedure for conducting the postal ballot exercise would be as per Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, as amended from time to time.

10. MEANS OF COMMUNICATION

a) **Quarterly, Half yearly and Annual Results:** Quarterly, half-yearly and Annual Financial Results of the Company are forwarded to the Stock Exchange, viz. BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and published in "Free Press Journal" (English Language) and "Navshakti" (Marathi Language) newspapers.

b) **Website:** The company has its own website and all the vital information relating to the Company, its products its business and operations, Press Releases and investor information can be viewed at the Company's website at www.dmcc.com. The 'Investor' section serves to inform the investors by providing key and timely information like financial results, annual reports, shareholding pattern, press release, announcements, investor presentations etc.

c) **Annual Report:** The Annual Report containing, inter alia, Audited Financial Statement, Audited Consolidated Financial Statement, Board's Report, Auditors' Report and other important information is circulated to the members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report. The Annual Report is also available in downloadable form on the website of the Company at www.dmcc.com

d) **Investor Presentations:** The Investor Presentations are uploaded on the website of the Stock Exchange (BSE/NSE) and also on the website of the Company at www.dmcc.com

e) **Investor Conference Call:** The Company at regular intervals hold investor conference calls and the Management of the Company interacts with the Investors.

f) **Uploading on NEAPS & BSE Listing Centre:** NSE's NEAPS and BSE's Listing Centre is a web-based application designed for corporates. All periodical and other compliance filings are filed electronically on the NEAPS and Listing Centre.

g) **Designated Exclusive Email ID:** The Company has designated Email Id investor@dmcc.com exclusively for shareholder/investor grievances redressal.

11. DISCLOSURES

a) **Code of Conduct**

The Board of Directors has adopted the Code of Business Conduct and Ethics for the Directors and the members of the Senior Management. The said Code has been communicated to the Directors and the Members of the Senior Management. The Code has also been posted on the Company's website at www.dmcc.com.

b) There was no non-compliance during the last three years by the Company on any matter related to Capital Market. Consequently, no penalties were imposed nor any strictures were passed on the Company by the BSE Limited, Mumbai (on which the Company's equity shares are listed), SEBI or any other statutory authority.

c) The Company has complied with all the mandatory requirements of SEBI Listing Regulations.

d) **Commodity price risk or foreign exchange risk and hedging activities:** The details are provided in notes to the standalone financial statements in the Annual Report.

e) **Material Subsidiary:** During the year under review, the Company does not have a material subsidiary as per the criteria specified in the Listing Regulations. However, the Company has adopted a policy on material subsidiaries and the same is uploaded on the website of the Company which can be accessed through the web-link https://www.dmcc.com/Media/pdf/DMCC_Policy_Determining-Material-Subsidiaries.pdf.

f) **Related Party Transactions:** There were no materially significant related party transactions that may have potential conflict with the interest of the Company at large. The Register of Contracts for the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with related parties are disclosed in note number 41 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-Transctions-Policy_DMCC.pdf

At every Board Meeting and Audit Committee Meeting, the Register of Contracts maintained under section 189 of the Companies Act, 2013 is tabled and signed by the Directors.

g) **Vigil Mechanism/Whistle Blower Mechanism:** Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of Listing Regulations, your Company has formulated Vigil Mechanism/Whistle Blower Policy to enable Directors and employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct, that could adversely impact the Company's operations, business performance and/or reputation, in a secure and confidential manner. The said policy provides adequate safeguards against the victimisation of Directors/employees and direct access to the Chairman of the Audit Committee, in exceptional cases. The Vigil Mechanism/Whistle Blower Policy is available on the website of the Company under weblink https://www.dmcc.com/Media/pdf/Whistle-Blower-Vigil-Mechanism_DMCC.pdf

Your Company affirms that no Director/Employee of the Company has been denied access to the Chairman of the Audit Committee and no complaint has been received during the year under review.

h) Details of utilization of funds raised through preferential allotment or qualified institutional placement (QIP) as specified under regulation 32(7A):

This clause is not applicable to the Company as the Company has not raised any funds through preferential allotment and/or QIP.

i) Certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority:

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.

j) Recommendation of the Committee:

During FY 2022-23 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.

k) Total fees for all services paid by the Company 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, 2023, is as follows:

Particulars	Amount (in ₹)
Audit Fees paid for the year 2022-23 - Rahul Gautam Divan & Associates, Chartered Accountants	12,75,000.00
Fees for Corporate Governance Certification	1,00,000.00
Fees for Limited Reviews	6,00,000.00
Fees for Certification of Consolidation	25,000.00
Other Services	2,60,000.00
Out of Pocket expenses for the year	43,000.00
Total payments made during the year 2022-2023	**23,03,000.00**

l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Number of complaints filed during the financial year:	NIL
Number of complaints disposed of during the financial year:	NIL
Number of complaints pending as of end of the financial year:	NIL

m) Disclosure by the listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount

During the year there were no loans and advances were given to the firms/companies in which directors are interested.

n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company has no material Subsidiary and hence this clause is not applicable.

12. CEO/CFO CERTIFICATION

The Managing Director and Chief Executive Officer of the Company have furnished a certificate to the Board of Directors of the Company with respect to the accuracy of financial statements for the financial year ended March 31, 2023 and adequacy of internal controls as required in terms of Regulation 17(8) of the Listing Regulations, for the financial year 2022-23 was placed before the Board at its meeting held on May 17, 2023.

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. DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND ADOPTION OF THE DISCRETIONARY REQUIREMENTS OF REGULATION 27(1) READ WITH PART E OF SCHEDULE II OF THE LISTING REGULATIONS

The Company is in compliance with the requirement of corporate governance report of sub-para (2) to (10) of Para C of Schedule V of the Listing Regulations and all other mandatory provisions related to Corporate Governance pursuant to the requirement of the Listing Regulations.

The status of compliance with non-mandatory requirements of Regulation 27(1) read with Part E of Schedule II of the Listing Regulations are as under:

a) **Non-Executive Chairman's office:** The Company is having non-executive chairman. The Company does not incur any expenses for maintaining Chairman's office.

b) **Shareholders' Rights:** As the half-yearly/yearly (including quarterly) financial performance are published in the newspapers and are also posted on the Company's website. The Company also used to report significant events to the stock exchange viz. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) from time to time. Hence, the same are not being sent to the shareholders.

c) **Modified opinion(s) in audit report:** During the period under review, there are no audit qualifications in the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

d) **Separate posts of Chairman and CEO:** The Chairman of the Board is a Non-Executive Promoter Director and his position is separate from that of the Managing Director, and CEO of the Company. The Company is in compliance with the requirement. Shri Laxmikumar Narottam Goculdas is Non-Executive Promoter Chairman and Shri Bimal Lalitsingh Goculdas is the Managing Director, and CEO of the Company as per the Listing Regulations.

e) **Reporting of internal Auditor:** The Company is having an Independent Internal Auditor (separate from the employees) viz. M/s Mahajan & Aibara, Chartered Accountants LLP, Mumbai. The Internal Auditors send their reports to the Managing Director, and CEO of the Company/Board person authorised for this purpose and in turn the reports were circulated to the members of the Audit Committee for their perusal.

15. 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.

16. GENERAL SHAREHOLDER INFORMATION

a) **Details of Annual General Meeting:** Tuesday, September 12, 2023 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:** Not Applicable.

d) **Book Closure Date:** From September 06, 2023 to September 12, 2023.

e) **E-Voting Dates:** **The cut-off date** for the purpose of determining the shareholders eligible for e-voting is **September 05, 2023**. The e-voting **commences on September 09, 2023 at 9.00 a.m. (IST) and ends on September 11, 2023 at 5.00 p.m. (IST)**.

f) **Name and address of Stock Exchange and Stock Code:**

BSE Limited (BSE)	The National Stock Exchange of India Limited (NSE)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
Scrip Code: 506405/DMCC	**NSE Symbol:** DMCC*

*The symbol is changed from DHARAMSI to DMCC consequent to the change of name of the Company from The Dharamsi Morarji Chemical Company Limited to DMCC Speciality Chemicals Limited

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 2022-23 as well as 2023-24.

i) Corporate Identity Number: L24110MH1919PLC000564

j) Stock Price Data & Performance in comparison to BSE and NSE Indices:

The monthly high and low of market prices of the Company's Equity Shares traded during the financial year on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the BSE, NSE monthly high low Indices were as follows:

(in ₹)

Month	BSE Share Price		BSE Indices		NSE Share Price		NSE Indices	
	High	Low	High	Low	High	Low	High	Low
April 2022	467.50	362.45	60845.10	56009.07	468.70	362.05	18114.65	16824.70
May 2022	478.85	310.00	57184.21	52632.48	465.00	308.95	17132.85	15735.75
Jun 2022	392.35	315.00	56432.65	50921.22	393.00	314.00	16793.85	15183.40
July 2022	386.00	342.60	57619.27	52094.25	378.55	330.90	17172.80	15511.05
August 2022	401.45	351.70	60411.20	57367.47	401.15	353.65	17992.20	17154.80
September 2022	452.80	367.10	60676.12	56147.23	454.20	369.20	18096.15	16747.70
October 2022	394.95	365.00	60786.70	56683.40	394.45	365.05	18022.80	16855.55
November 2022	385.05	285.00	63303.01	60425.47	378.00	286.15	18816.05	17959.20
December 2022	310.50	230.55	63583.07	59754.10	312.00	250.00	18887.60	17774.25
January 2023	317.10	248.90	61343.96	58699.20	316.55	248.10	18251.95	17405.55
February 2023	298.00	228.00	61682.25	58795.97	298.40	228.25	18134.75	17255.20
March 2023	288.00	233.95	60498.48	57084.91	289.90	235.85	17799.95	16828.35

Note: The nominal Value of each Equity Share is ₹ 10/-.

k) Registrar & Share Transfer Agents

Link Intime India Pvt. Limited
(Unit: DMCC Speciality Chemicals Limited)
C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083.
Tel No: +91 22 49186000 Fax: +91 22 49186060
E-mail id: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

l) Share Transfer System

W.e.f. April 01, 2019, as per the SEBI press release dated March 27, 2019 the transfer of shares are done only in dematerialised mode except for transmission or transposition of securities. Transfer of equity shares in dematerialised form is done through the depositories without any involvement of the Company. The Board has constituted Stakeholders Relationship Committee which inter-alia approves share transmission, issue of duplicate share certificates, etc. as and when physical cases of transmissions/name deletion/issue of duplicate share certificates are sent for approval by RTA. Pursuant to Regulation 40 of the Listing Regulations Shri. Omkar Chandrakant Mhamunkar, Company Secretary and Compliance Officer is authorised to approve shareholders request w.r.t. Transmission, Name Deletion, Transposition, Issue of Duplicate Shares; and handling all other request(s), grievance(s) of shareholders, including issuing necessary directions to the Registrar and Transfer Agent. The Company Secretary places reports on the Share Transmission, Issue of Duplicate Shares etc. before the Stakeholders Relationship Committee and to the Board of Directors from time to time.

Further pursuant to SEBI Circular vide Ref. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 directs the Listed Companies to issue the securities in dematerialized form only (vide Gazette Notification no. SEBI/LAD-NRO/GN/2022/66 dated January 24, 2022) while Processing the service request for issue of duplicate securities certificate, claim from Unclaimed Suspense Account, Renewal/Exchange of securities certificate, Endorsement, Sub-division/Splitting of securities certificate, Consolidation of securities certificates/folios, Transmission and Transposition;

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

m) Shareholding Pattern and Distribution of Shares

Category of Shareholder	As on March 31, 2023	
	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	13541	0.05
Financial Institutions/Banks	307686	1.23
Insurance Companies	200	0.00
Non Institutions		
Directors and their relatives (excluding Independent Directors and nominee Directors)	25712	0.10
Individuals	9338565	37.44
Body Corp-Ltd Liability Partnership	204556	0.82
Trust	301	0.00
Foreign Nationals	83	0.00
HUF	1067789	4.28
NRI	286280	1.15
Clearing Members (in the depository)	1690	0.01
Bodies Corporate	244703	0.98
Unclaimed Shares	18009	0.07
TOTAL	**24939933**	**100.00**

Note: The total Foreign Shareholding including Non-Resident Indians as on March 31, 2023, was 9772469 shares, which in, percentage terms were 39.18 % 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, 2023

No. of Shares held	No. of Folios	Percentage	Total Shares	Percentage
Up to 500	20089	90.8347	1777107	7.1255
501 to 1000	922	4.1689	714723	2.8658
1001 to 2000	500	2.2608	740962	2.9710
2001 to 3000	200	0.9043	511179	2.0496
3001 to 4000	104	0.4702	371283	1.4887
4001 to 5000	68	0.3075	317653	1.2737
5001 to 10000	103	0.4657	775127	3.1080
10001 and above	130	0.5878	19731899	79.1177
TOTAL	**22116**	**100.0000**	**24939933**	**100.0000**

o) Dematerialisation of Shares and liquidity

As on March 31, 2023, out of 2,49,39,933 Equity Shares of the Company, 2,38,48,594 Equity Shares representing 95.62% Equity Shares are held in dematerialized form and 4.38 % is held in Physical form. The Company's shares are actively traded on the Stock Exchange i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)

p) Outstanding GDR/ADR/warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs, Warrant or any convertible instruments, the conversion of which will have an impact on equity shares of the Company.

q) Other Affirmations

During the year securities of the Company were not suspended from trading.

r) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad

As on March 31, 2023, CRISIL Rating Limited (Credit Rating Agency) has:

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

Facilities	Amount	Rating
Total Bank Loan Facilities Rated	₹ 105.00 Crores	Long-Term Rating: CRISIL BBB+/Stable (Reaffirmed)

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

Facilities	Amount	Rating
Fixed Deposit Programme	₹ 10.00 Crores	CRISIL BBB+/Stable (Reaffirmed)#

#In compliance with the SEBI circular dated July 16, 2021, and April 01, 2022, for standardizing the rating scales used by the Credit Rating Agencies, CRISIL Ratings has migrated the rating for Fixed Deposits (FD) Programme of the Company of ₹ 10.00 Crores to CRISIL BBB+/Stable from 'FA-/Stable' and 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.

s) Plant Locations:

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

t) The address of the correspondence

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

Annexure I

Declaration of compliance with the code of conduct

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board Members and Senior Management Personnel of DMCC Speciality Chemicals Limited (Formerly known as "The Dharamsi Morarji Chemical Company Limited") have affirmed compliance with the Code of Conduct for the year ended March 31, 2023.

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

Bimal Lalitsingh Goculdas
Managing Director & CEO
DIN: 00422783

Place: Mumbai
Date: May 17, 2023

Annexure II

Certificate of Non-Disqualification of Directors

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

To
The Members,
DMCC Speciality Chemicals Limited
(Formerly known as "The Dharamsi Morarji Chemical Company Limited")

This certificate is issued pursuant to clause of (10)(i) of part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

On the basis of documents and explanations given to us by the Company/Director, we hereby certify that **none** of the following directors on the Board of **DMCC Speciality Chemicals Limited (Formerly known as "The Dharamsi Morarji Chemical Company Limited")** ("the Company") have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI, Ministry of Corporate Affairs or any other Statutory Authority as on March 31, 2023:

- Mr. Laxmikumar Narottam Goculdas (DIN: 00459347)
- Mr. Bimal Lalitsingh Goculdas (DIN: 00422783)
- Mr. Madhu Thakorlal Ankleshwaria (DIN: 02753794)
- Ms. Mitika Laxmikumar Goculdas (DIN: 02879174)
- Mr. Sanjeev Vishwanath Joshi (DIN: 00392020)
- Mr. Mukul Manoharlal Taly (DIN: 01334360)
- Mr. Dilip Trimbak Gokhale (DIN: 06734397)
- Mrs. Janaki Ashwin Patwardhan (DIN: 09180182)

FOR **SKJ & Associates**

Company Secretaries

Satish Kumar Jain
Proprietor
FCS-6398/PCS-6632
UDIN: F006398D000302529

Place: Mumbai
Date: May 11, 2023

Auditor's Report on Corporate Governance

To

The Members of

DMCC SPECIALITY CHEMICALS LIMITED

(Formerly known as "The Dharamsi Morarji Chemical Company Limited")

1. The Corporate Governance Report prepared by **DMCC Speciality Chemicals Limited** (Formerly known as "The Dharamsi Morarji Chemical Company Limited") (hereinafter the "Company"), contains details as stipulated at Para C of Schedule V in terms of regulations 34(3) and 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2023.

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, 2023 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, 2022 to March 31, 2023:

      (a) Board of Directors meeting;

      (b) Audit committee;

      (c) Annual General meeting;

      (d) Nomination and Remuneration committee;

      (e) Independent Directors Committee;

      (f) Stakeholders Relationship Committee;

      (g) Corporate social responsibility Committee;

      (h) Risk Management Committee.

   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, 2023, 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

Rahul Gautam Divan
Partner
Membership No.: 100733
UDIN: 23100733BGYAXJ3563

Place: Mumbai
Date: May 17, 2023

Independent Auditor's Report

To the members of

DMCC Speciality Chemicals Limited (formerly known as The Dharamsi Morarji Chemical Company Limited)

Report on the Audit of the Standalone Ind AS Financial

OPINION

We have audited the accompanying Standalone Ind AS financial statements of DMCC Speciality Chemicals Limited (formerly known as The Dharamsi Morarji Chemical Company Limited) ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, 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 March 31, 2023. 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.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1.	**Litigations and claims** (Refer to note 32 to the standalone Ind AS financial statements) These cases are pending with multiple tax authorities like Income Tax, Excise, Service tax etc. and labour law cases which have not been acknowledge as debt by the company. 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.	**Principal Audit Procedures:** • 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.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	We have Considered Litigation and claims as Key Audit Matter as it requires significant management judgement, including accounting estimation uncertainty.	**Conclusion:** 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.
2	**Revenue Recognition** (as described in note 2.11 of the standalone Ind AS financial statements) For the year ended March 31, 2023 the Company has recognized revenue from contracts with customers amounting to ₹ 38,147.93 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. 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. 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. 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.	**Principal Audit Procedures:** Our audit procedures included the following: • 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. • 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 2022-23, but does not include the Standalone Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

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

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

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

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 fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the result of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2023 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 March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 32 to the standalone Ind AS financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

      iv. (i) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      (ii) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note to the accounts, no funds have been received by the company from in any other person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

      (iii) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

      v. The dividend declared and paid during the year by the Company is as per the provisions of Section 123 of the Companies Act, 2013.

      vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 01, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

(h) 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:

The Company has paid remuneration to its Executive Directors in excess of the limits specified in Section 197 of the Act for the Financial Year 2022-2023 as the Company has inadequate profits in terms of Section 198 of the Act. As per the explanations provided to us, the Company is in the process of complying with the prescribed statutory requirements to regularize such excess payment, including seeking approval of the shareholders, as necessary.

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

Rahul Gautam Divan
Partner
Membership No.: 100733
UDIN: 23100733BGYAXK1800

Place: Mumbai
Date: May 17, 2023

Annexure 'A'

Referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: DMCC Speciality Chemicals Limited (formerly known as The Dharamsi Morarji Chemical Company Limited) ("the Company")

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. The company has maintained proper records showing full particulars of intangible 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 as at the Balance Sheet date.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including right of use of asset) or Intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Benami Property Transactions (Prohibition) Act, 1988 and rules made there under.

(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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five Crores rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of 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 ₹ 1.36 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	**1,554.60**		

(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) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates as defined in the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associates, as defined under the Act.

(x) (a) No money was raised by way of initial public offer or further public offer (including debt instruments) during the year hence reporting under this clause is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or operationally convertible) during the year.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Based on examination of the books and records of the Company and according to the information and explanations given to us, company has not received any whistle-blower complaint during the year.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) In our opinion and the records examined by us, the company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the report of the internal auditors for the period under audit.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

(xvii) The Company has not incurred any cash losses in financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There is no unspent amount of Corporate Social Responsibility (CSR) other than towards ongoing projects, requiring transfer to a fund as specified in Schedule VII of the Companies Act. Accordingly reporting clause 3(xx)(a) of the order is not applicable for the year and;

(b) The Company does not have any amount remaining unspent, pursuant to any ongoing projects, requiring transfer to special account. Accordingly reporting clause 3(xx)(b) of the order is not applicable for the year.

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

Rahul Gautam Divan
Partner
Membership No.: 100733
UDIN: 23100733BGYAXK1800

Place: Mumbai
Date: May 17, 2023

Annexure 'B'

To Independent Auditors' Report

(Annexure referred to under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date.)

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

We have audited the internal financial controls over financial reporting of DMCC Speciality Chemicals Limited (formerly known as The Dharamsi Morarji Chemical Company Limited) ("the Company") as of March 31, 2023 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 March 31, 2023, 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 Gautam Divan
Partner
Membership No.: 100733
UDIN: 23100733BGYAXK1800

Place: Mumbai
Date: May 17, 2023

Standalone Balance Sheet

As at March 31, 2023

(₹ in lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Non Current Assets			
(a) Property, Plant and Equipment	3(a)	21,431.91	15,839.62
(b) Capital work-in-progress	3(a)	1,133.41	6,282.47
(c) Goodwill	3(b)	1,465.10	1,465.10
(d) Other Ingangible Assets	3(b)	31.35	41.21
(e) Right of Use Assets	34	23.86	35.79
(f) Other non Current Financial Assets			
(i) Non Current Investments	4	55.78	55.86
(ii) Other non-current assets	5	698.61	376.68
(g) Deferred Tax Assets (Net)	6	1,523.59	1,704.64
Total Non Current Assets		**26,363.61**	**25,801.37**
(2) Current Assets			
(a) Inventories	7	5,268.95	4,199.02
(b) Financial Assets			
(i) Trade receivables	8	5,201.58	4,975.69
(ii) Cash and cash equivalents	9	133.81	191.23
(iii) Bank balances other than cash and cash equivalents	10	85.31	70.78
(vi) Others current financial assets	11	176.77	69.21
(c) Current Tax Assets (Net)	12	138.59	2.58
(d) Other Current Assets	13	2,669.49	3,024.87
Total Current Assets		**13,674.50**	**12,533.38**
TOTAL ASSETS		**40,038.11**	**38,334.75**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	2,493.99	2,493.99
(b) Other Equity	15	17,295.94	16,839.55
Total Equity		**19,789.93**	**19,333.54**
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Long Term Borrowings	16	6,760.56	6,025.42
(ii) Long Term Lease Liabilities	34	23.67	34.63
(b) Long Term Provisions	17	184.76	183.72
(c) Other non-current liabilities	18	57.87	57.00
Total Non Current Liabilities		**7,026.86**	**6,300.77**
(2) Current liabilities			
(a) Financial Liabilities			
(i) Short Term Borrowings	19	1,357.13	1,769.71
(ii) Short Term Lease Liabilities	34	3.93	3.93
(iii) Trade payables	20		
(a) Due to Micro & Small Enterprises		78.71	98.08
(b) Due to Other than Micro & Small Enterprises		8,113.61	6,904.62
(iv) Other financial liabilities	21	3,298.73	3,477.08
(b) Other current liabilities	22	337.19	433.16
(c) Provisions	23	32.02	13.86
Total Current Liabilities		**13,221.32**	**12,700.44**
Total Liabilities		**20,248.18**	**19,001.21**
TOTAL EQUITY AND LIABILITIES		**40,038.11**	**38,334.75**

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

The accompaning 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

Rahul Gautam Divan
Partner
Membership No. 100733

L. N. Goculdas
Chairman
DIN: 00459347

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

S. V. Joshi
Independent Director
DIN: 00392020

D. T. Gokhale
Executive Director
DIN: 06734397

O. C. Mhamunkar
Company Secretary

Place: Mumbai
Date: May 17, 2023

Standalone Statement of Profit and Loss

For the year ended March 31, 2023

(₹ in lakhs)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from Operations	24	38,460.11	32,629.80
Other Income	25	471.15	597.29
Total Income		**38,931.26**	**33,227.09**
Expenses			
Cost of Raw Materials Consumed	26	25,968.52	20,242.63
Purchase of Stock-in-Trade	27	-	-
Changes in Inventories of Finished Goods and Work in Progress	28	(1,176.63)	(505.66)
Employee Benefits Expenses	29	2,387.30	2,043.62
Finance costs	30	1,058.02	450.85
Depreciation and amortization expense	3(a)	1,758.17	803.86
Other Expenses	31	7,885.67	6,774.83
Total Expense		**37,881.05**	**29,810.13**
Profit before tax		**1,050.21**	**3,416.96**
Tax Expense			
Current Tax		187.91	890.00
Deferred Tax		176.63	390.62
		364.54	**1,280.62**
Profit for the year		**685.67**	**2,136.34**
Other Comprehensive Income			
(a) i) Items that will not be reclassified to profit or loss		25.27	34.77
ii) Income tax relating to items that will not be reclassified to Profit & Loss		(4.42)	-
(b) i) Items that will be reclassified to Profit and Loss		(0.73)	-
ii) income Tax relating to Items that will be reclassified to Profit and Loss		-	(1.15)
Total Other Comprehensive Income		**20.12**	**33.62**
Total Comprehensive Income for year		**705.79**	**2,169.96**
Earnings per equity share (FV ₹ 10/- per share)			
Basic & Diluted (in ₹)- Refer Note No.37		2.75	8.57

significant accounting policies and notes to Financial Statements (Note 2).

The accompaning notes referred to above which form an integral part of the Financial Statements.

As per our report of even date
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O. C. Mhamunkar
Company Secretary

Place: Mumbai
Date: May 17, 2023

Standalone Cash Flow Statement

For the year ended March 31, 2023

(₹ in lakhs)

		Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
A		**CASH FLOW FROM OPERATING ACTIVITIES:**				
		Net Profit before tax		1,050.20		3,416.96
		Add:				
	1	Depreciation and amortisation	1,758.17		803.86	
	2	Interest charged	1,058.02		450.85	
	3	Unrealised Foreign Exchange Loss/(Gain)	313.53		66.40	
	4	(Gain)/Loss on sale of PPE/Investments	(119.33)		-	
				3,010.39		1,321.11
		Less:				
	1	Interest Income	13.33		26.53	
	2	Dividend Income	2.03		1.72	
	3	Increase/(decrease) in Value of Investment	(0.08)		-	
				15.28		28.25
		Operating Profit before change in working capital		**4,045.31**		**4,709.82**
		Working capital changes:				
		Add/(Less):				
	1	(Increase)/Decrease in inventories	(1,069.93)		(466.76)	
	2	(Increase)/Decrease in trade receivables	(539.41)		(1,857.07)	
	3	(Increase)/Decrease in Other Financial Assets	(107.55)		53.00	
	4	(Increase)/Decrease in Other non current Assets	(321.93)		(191.69)	
	5	(Increase)/Decrease in Other Current Assets	355.34		(1,366.10)	
	6	Increase/(Decrease) in trade payables	1,189.63		4,145.95	
	7	Increase/(Decrease) in other long term liabilities	0.86		18.49	
	8	Increase/(Decrease) in other current financial liabilities	(178.33)		642.97	
	9	Increase/(Decrease) in other current liabilities	(95.97)		141.51	
	10	Increase/(Decrease) in Current Provisions	18.15		(24.92)	
	11	Increase/(Decrease) in Non-Current Provisions	1.04		(3.81)	
				(748.10)		1,091.58
		Cash generated from opertions		**3,297.21**		**5,801.39**
		Add/(Less):				
		Direct taxes paid (Net of refunds)		(299.37)		(686.41)
		Net Cash inflow from Operating Activities (A)		**2,997.84**		**5,114.98**
B		**CASH FLOW FROM INVESTING ACTIVITIES:**				
		Add:				
	1	Proceeds from sale of Property, Plant & Equipment/Investment	119.33		-	
	2	Interest received	13.33		26.53	
	3	Dividend received	2.03		1.72	
				134.69		28.25
		Less:				
	1	Purchase of Property, Plant & Equipment/increase in Capital WIP	(2,190.56)		(9,860.46)	
	2	(Purchase)/Sale of Current Investment	-		4.14	
				(2,190.56)		(9,856.32)
		Net Cash inflow from Investing Activities (B)		**(2,055.87)**		**(9,828.07)**
C		**CASH FLOW FROM FINANCIAL ACTIVITIES:**				
		Add:				
	1	Receipt from issue of Equity Shares inclusive of share premium	-		-	
	2	Proceeds from borrowings (Non Current)	(412.58)		979.46	
	3	Proceeds from borrowings Net of repayment (Current)	735.14		4,110.47	
	4	Increase in Restricted Bank Balances other than cash & cash equivalents	(14.53)		33.84	
				308.03		5,123.77
		Less:				
	1	Interest and other finance costs	(1,058.02)		(450.85)	
	2	Payment of Equity Dividend	(249.40)		(124.70)	
				(1,307.42)		(575.55)
		Net Cash inflow from Financing Activities (C)		**(999.39)**		**4,548.22**
I.		Net (decrease)/increase in cash and cash equivalents		(57.42)		(164.87)
II.		Add: Cash and cash equivalents at the beginning of the period		191.23		356.09
III.		Cash and cash equivalents at the end of the period		133.81		191.23

As per our report of even date
For **Rahul Gautam Divan & Associates**
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For and on behalf of the Board of Directors

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L. N. Goculdas
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DIN: 00459347

B. L. Goculdas
Managing Director & CEO
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S. V. Joshi
Independent Director
DIN: 00392020

D. T. Gokhale
Executive Director
DIN: 06734397

O. C. Mhamunkar
Company Secretary

Place: Mumbai
Date: May 17, 2023

Standalone Statement of Changes in Equity

For the year ended March 31, 2023

A. EQUITY SHARE CAPITAL

Particulars	No. of Shares	₹ in lakhs
Balance as at March 31, 2022	2,49,39,933	2,493.99
Changes in equity share capital during FY 2022-23	-	-
Balance as at March 31, 2023	**2,49,39,933**	**2,493.99**

B. OTHER EQUITY

(₹ in lakhs)

Particulars	Reserves and Surplus					Total
	Securities Premium Reserve	Capital Redemption Reserve	Other Reserves	Retained Earnings	Other items of Other Comprehensive Income	
Balance at March 31, 2022	**1,714.81**	**280.00**	**66.59**	**14,681.79**	**96.36**	**16,839.55**
Transfer to Capital Redemption Reserve	-	-	-	-	-	**-**
Profit for the year	-	-	-	685.67		**685.67**
Other Comprehensive Income	-	-	-	-	20.12	**20.12**
Total Comprehensive Income (Net of Tax)	1,714.81	280.00	66.59	15,367.46	116.48	**17,545.34**
Equity Dividend Paid	-	-	-	(249.40)	-	**(249.40)**
Balance at March 31, 2023	**1,714.81**	**280.00**	**66.59**	**15,118.06**	**116.48**	**17,295.94**

(₹ in lakhs)

Particulars	Reserves and Surplus					Total
	Securities Premium Reserve	Capital Redemption Reserve	Other Reserves	Retained Earnings	Other items of Other Comprehensive Income	
Balance at March 31, 2021	**1,714.81**	**-**	**66.59**	**12,950.15**	**62.75**	**14,794.30**
Transfer to Capital Redemption Reserve	-	280		(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	66.59	14,806.49	96.36	**16,964.25**
Equity Dividend Paid (Including Dividend Distribution Tax)	-	-	-	(124.70)	-	**(124.70)**
Balance at March 31, 2022	**1,714.81**	**280**	**66.59**	**14,681.79**	**96.36**	**16,839.55**

significant accounting policies and notes to Financial Statements (Note 2).

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

For and on behalf of the Board of Directors

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O. C. Mhamunkar
Company Secretary

Place: Mumbai
Date: May 17, 2023

Notes to the Standalone Financial Statements

As at March 31, 2023

1. CORPORATE INFORMATION

DMCC Speciality Chemicals Limited (formerly known as The Dharamsi morarji Chemical Co. Ltd) is a Public Limited Company domiciled in India. Its equity shares are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India 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-41.

The financial statements are authorised for issue in accordance with a resolution of the Board of Directors on May 17, 2023.

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 (₹) and all values are recorded to the nearest lakhs. (₹ '00,000) except otherwise indicated.

2.2 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

2.3 Property, plant and equipment

a) Property, plant and equipment:

Property, Plant and equipment were carried in the balance sheet prepared in accordance with Indian GAAP on the basis of their historical cost less accumulated depreciation and impairment as on the date of transition i.e. April 01, 2016. The Company has elected to regard those written down values as deemed cost as at the date of the transition as per the option available to the Company, as fair value, while adopting Ind AS for the first time except for certain Land acquired by the Company upon merger of erstwhile Borax Morarji Limited has been stated at fair value as per the valuation report obtained by the Company.

Property, Plant and Equipment are stated at cost of acquisition or construction, including attributable interest and financial costs till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.

The expenditure incurred during the period of construction (including cost of trial runs, stores issued, expenses on labour allocated for such purpose) is debited to capital work-in-progress and on completion, the costs are allocated to the respective items of Property, Plant and Equipment. Interest on specific borrowings relating to acquisition of fixed assets is capitalised up to the date of commissioning.

Derecognition:

An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is measured at their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Derecognition:

An item of intangible initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

2.4 Depreciation/Amortization

Depreciation on all items of Property, Plant and Equipment is provided for on Straight Line basis over the estimated useful life specified in schedule II to the Companies Act, 2013.

Depreciation on additions and deletions during the year is provided on pro-rata basis.

Cost of leasehold land is amortised over the period of lease.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.5 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.6 Non Current Assets held for Sale

Non current assets are classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carryibg 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.

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 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.

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

Export benefits available under prevalent schemes are accounted to the extent considered receivable. These are presented as other operating income in the Statement of Profit & Loss.

Earning from sale of power generated from Wind Mills is accounted for on tariff rate agreed and as per Power Purchase agreement with respective Electricity Board.

Royalty and service income are recognized on an accrual basis in accordance with the terms of the relevant contractual agreement.

Interest income is recognised on an accrual basis.

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Dividend income on investment is recognized in the Statement of Profit and Loss Account on the date on which the Company's right to receive is established.

The Company earns revenue primarily from sale of products.

2.12 Foreign Exchange Transactions

Transactions in foreign currencies are initially recorded by the Company at the rate prevalent on the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the closing rates of exchange at the reporting date.

Differences arising on settlement or year end conversion of monetary items are recognised in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are converted using the exchange rates at the dates of the initial transactions.

2.13 Employee Benefits

Contribution Plans:

Contributions to the Company's Provident Fund, Family Pension Fund, Superannuation Fund are being charged to the Statement of Profit and Loss.

Benefits Plans:

The Company has the scheme which enables employees to encash the accumulated privilege leave (upto stipulated limits) on retirement. The 'Company's liability in respect of this leave encashment scheme is determined on the basis of actuarial valuation and the same is charged to the Statement of Profit & Loss and is unfunded. Gratuity Benefits (based on actuarial valuation) is charged to Statement of Profit & Loss and is unfunded.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The service cost and the net interest cost are charged to the Statement of Profit and Loss. Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the actuarial assumptions used for valuation. The Company recognizes these re-measurements in the Other Comprehensive Income (OCI).

2.14 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Significant management judgment is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax could change if estimates of projected future taxable income or if tax regulations undergo a change.

Deferred income tax assets and liablities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is reviewed at each reporting date.

The benefit of credit against the payment made towards Minimum Alternate Tax for the earlier years is available in accordance with the provisions of the section 115JAA of Income Tax Act, 1961 over the period of subsequent 15 assessment year. The Company recognises MAT Credit Available as an Asset only to the extent that there is convincing evidence that the Company will pay Normal Income Tax during the specified period, i.e. the period for which MAT Credit is allowed to be carried forward. The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

2.15 Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss.

Contingent Liabilities

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

Contingent Assets are only disclosed when it is probable that the economic benefits will flow to the Company.

2.16 Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.17 Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred (measured at acquisition date at fair value) and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Company recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

2.18 Current and Non current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

2.19 Financial Instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

a) Financial Assets

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Cash and bank balances

Cash and bank balances consist of:

Cash and Cash equivalents: which includes Cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of Cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

Other bank balances: which includes balances and deposits with banks that are restricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investment in Subsidiaries

Investment in Subsidiaries is carried at cost in the financial statements.

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income. The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset.

b) Financial Liabilities and Equity Instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs, if any.

Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, during the effective interest rate method where the time value of money is significant. Interest bearing issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit accounts and derivative financial instruments like Forward Cover Contracts.

Financial liabilities are classified, at initial recognition, as at fair value through profit and loss or as those measured at amortised cost.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading.

The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss.

De-recognition of Financial Liabilities

The Company de-recognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expired.

2.20 Derivative Financial Instruments

The company holds derivative financial instruments such as foreign exchange forward contracts generally to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank and these are generally designated as hedges. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss. Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss. Assets/liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

2.21 Fair value measurement

The company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: • 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 NIL for the year ended March 31, 2023 (Previous year ₹ 7.00 lakhs) are accounted for under finance charges.

NOTE 3:

(a) Property, Plant and Equipment

i) Tangible Assets

(₹ 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 April 01, 2022	282.59	1,852.73	2,477.88	14,785.92	100.67	169.66	74.66	109.27	19,853.37	
Additions	-	-	2,498.37	4,730.84	17.35	17.23	6.57	8.15	7,278.51	
Disposals	-	-	-	(178.24)	-	(17.08)	-	-	(195.32)	
As at March 31, 2023	**282.59**	**1,852.73**	**4,976.25**	**19,338.52**	**118.02**	**169.81**	**81.24**	**117.42**	**26,936.56**	**-**
Accumulated Depreciation										
As at April 01, 2022	**-**	**168.16**	**420.60**	**3,128.43**	**44.30**	**82.86**	**45.64**	**75.75**	**3,965.74**	
Depreciation charge for the year	-	20.82	303.80	1,352.80	9.68	19.26	7.00	13.51	1,726.88	
Disposals	-	-	-	(175.68)	-	(12.28)	-	-	(187.96)	
As at March 31, 2023	**-**	**188.99**	**724.40**	**4,305.54**	**53.98**	**89.84**	**52.65**	**89.26**	**5,504.65**	**-**
Net book value										
As at April 01, 2022	**282.59**	**1,684.57**	**2,057.27**	**11,609.49**	**56.37**	**86.80**	**29.02**	**33.52**	**15,839.62**	**6,282.47**
As at March 31, 2023	**282.59**	**1,663.74**	**4,251.85**	**15,032.97**	**64.04**	**79.97**	**28.59**	**28.16**	**21,431.91**	**1,133.41**

ii) Intangible Assets

(₹ in lakhs)

Particulars	Software	Goodwill	Total	Intangible Assets under Development
Gross carrying amount				
Deemed cost as at April 01, 2022	114.03	1,465.10	1,579.13	
Additions	9.84	-	9.84	
Disposals	-	-	-	
As at March 31, 2023	**123.87**	**1,465.10**	**1,588.97**	**-**
Accumulated Depreciation				
As at April 01, 2022	**73.17**	**-**	**73.17**	**-**
Depreciation charge for the year	19.35	-	19.35	
Disposals	-	-	-	

(₹ in lakhs)

Particulars	Software	Goodwill	Total	Intangible Assets under Development
As at March 31, 2023	92.52	-	92.52	-
Net book value				
As at April 01, 2022	40.86	1,465.10	1,505.96	-
As at March 31, 2023	31.35	1,465.10	1,496.45	-

NOTE 3:

(b) Capital Work in Progress

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Carrying Value as at April 01	6,282.48	3,804.66
Addition/Adjustment	2,932.20	3,674.34
Transfer to property, plant and equipments	8,081.27	1,196.52
Closing Carrying value as at March 31	1,133.41	6,282.48

Aging Schedule

As on March 31, 2023

(₹ in lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	661.65	471.76	-	-	1,133.41

As on March 31, 2022

(₹ in lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	3,302.36	2,979.34	0.77	-	6,282.47

NOTE 4: NON CURRENT INVESTMENTS

Particulars	As at March 31, 2023		As at March 31, 2022	
	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 DMCC (Europe) GmbH (Formerly Borax Morarji (Europe) GmbH), Germany	500	16.77	500	16.77
Others				
Fully Paid Equity Shares of ₹ 10/- each in Janakalyan Sahakari Bank Limited	369250	36.93	369250	36.93
Fully Paid Equity Shares of ₹ 10/- each in Saraswat Co-operative Bank Limited	1000	0.10	1000	0.10
Fully Paid Equity Shares of ₹ 25/- each in Shamrao Vitthal Co-operative Bank Limited	25	0.01	25	0.01
Fully Paid Equity Shares of ₹ 50/- each in Dombivali Nagari Sahakari Bank Ltd	3000	1.50	3000	1.50

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of shares	₹ in lakhs	No of shares	₹ in lakhs
Fully Paid Equity Shares of ₹ 10/- each in Indian Potash Limited	56500	0.47	66000	0.55
Aggregate amount of unquoted Investments		**55.78**		**55.86**

NOTE 5: OTHER NON CURRENT ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured,Considered Good		
Capital Advances	403.15	83.48
Security deposits	295.46	293.20
	698.61	**376.68**

NOTE 6: DEFERRED TAX ASSETS (NET)

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Assets	2,451.97	2,453.10
Deferred Tax Liabilities	(928.38)	(748.46)
	1,523.59	**1,704.64**

(₹ in lakhs)

Particulars	As on April 01, 2022	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As on March 31, 2023
Deferred tax liability in releation to:				
Property, Plant and Equipment	(748.46)	(179.92)	-	(928.38)
Total Deferred Tax Liabilities	**(748.46)**	**(179.92)**	**-**	**(928.38)**
Deferred tax asset in relation to:				
Provision for Leave encashment	19.85	(2.90)	-	16.95
Provision for Gratuity	44.47	1.77	-	46.24
MAT Credit entitlement	2,388.78	-	-	2,388.78
Total Deferred Tax Assets	**2,453.10**	**(1.13)**	**-**	**2,451.97**
Net Deferred Tax	**1,704.64**	**(181.05)**	**-**	**1,523.59**

(₹ in lakhs)

Particulars	As on April 01, 2021	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As on March 31, 2022
Deferred tax liability in releation to:				
Property, Plant and Equipment	(207.90)	(540.56)	-	(748.46)
Total Deferred Tax Liabilities	**(207.90)**	**(540.56)**	**-**	**(748.46)**
Deferred tax asset in relation to:				

(₹ in lakhs)

Particulars	As on April 01, 2021	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As on March 31, 2022
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)**	**-**	**1,704.64**

NOTE 7: INVENTORIES (BASIS OF VALUATION - REFER NOTE 2.9) (AS TAKEN, VALUED AND CERTIFIED BY THE MANAGEMENT)

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Materials	1,099.42	1,108.10
Raw Material in Transit	71.94	241.69
Packing Materials	115.38	118.49
Work-in-Process	1,199.62	313.23
Finished Goods	1,721.96	1,431.82
Traded Goods	-	-
Stores and Spares	1,060.63	985.69
	5,268.95	**4,199.02**

Note: Inventories of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat amounting to ₹ 5,268.95 lakhs (Previous Year - ₹ 4,199.02 lakhs) are offered as security by of hypothecation of Raw Materials, Finished Goods, Working in process, Packing Materials, Stores, Book Debts and Receivable for working capital facitlity provided by Banks.

NOTE 8: TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables outstanding		
Considered Good - Secured	-	-
Considered Good - Unsecured		
Receivable from Related Parties	28.41	6.35
Others	5,173.17	4,969.34
Considered Doubtful	-	-
	5,201.58	**4,975.69**
Less: Provision for doubtful debts	-	-
	5,201.58	**4,975.69**

Receivables of ₹ 5,201.58 lakhs (Previous Year ₹ 4,975.69 lakhs) pertaining to Roha Unit in the State of Maharashtra and Dahej Unit in the State of Gujarat are hypothecated as security for working capital facility provided by the Bank.

Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality.

Generally, the Company supplies as per the order received from its customers. The average Credit period on sale is 30-90 days.

Trade receivables ageing schedule for the year ended as on March 31, 2023 and March 31, 2022

Particulars	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at March 31, 2023						
Undisputed Trade Receivable - Considered Good	5,086.46	31.19	7.46	22.90	53.57	5,201.58
Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable - credit impaired	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable - credit impaired	-	-	-	-	-	-
Total	**5,086.46**	**31.19**	**7.46**	**22.90**	**53.57**	**5,201.58**
Less: Expected Credit Loss (ECL)	-	-	-	-	-	-
Total Trade Receivable	**5,086.46**	**31.19**	**7.46**	**22.90**	**53.57**	**5,201.58**
As at March 31, 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**

NOTE 9: CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Bank Balances in Current Accounts	132.03	189.44
Cash on hand	1.78	1.79
	133.81	**191.23**

NOTE 10: BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid Dividend Account	49.46	41.23
Margin Money Deposit Account	35.85	29.55
	85.31	**70.78**

Margin money deposit has been given to various Banks for issuance of Bank Guarantee's.

NOTE 11: OTHERS CURRENT FINANCIAL ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed Deposit with banks more than 12 months	176.77	69.21
	176.77	**69.21**

NOTE 12: CURRENT TAX ASSETS (NET)

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax (Net of Provision for Taxation)	138.59	2.58
	138.59	**2.58**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Accounting Profit before Income tax	1,050.21	3,416.96
At India's statutory income tax rate of 29.12% for FY 2022-23 & 29.12% for FY 2021-22	305.82	995.02
Adjustments in respect of current income tax w.r.t. MAT tax rate and Normal tax rate	(117.91)	(105.02)
Current tax	187.91	890.00
At the effective income tax rate	17.89%	26.05%

The Company falls under the MAT during the year, hence the provisions of MAT u/s 115 JB are applicable for the year ended March 31, 2023 (Nromal Tax during Previous Year as at March 31, 2022)

NOTE 13: OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Government Authorities	1,603.31	1,956.52
Pre-paid Expense	241.93	166.70
Advances to Supplier	93.23	114.31
Others advances	9.27	12.30
Others*	721.75	775.04
	2,669.49	**3,024.87**

*Others include ₹ 500.00 lakhs receivable in respect of sale of Land at Ambernath in earlier years by erstwhile Borax Morarji Limited 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 and includes ₹ 156.48 lakhs paid as Pre-deposit Demand of Differential Duty by CESTAT for the Appeal against the Order of Commissioner (Appeals), Mumbai of Customs.

The Appeal is pending at CESTAT, Mumbai, and will come up for hearing in due course of time. (Refer Note. 32).

NOTE 14: EQUITY SHARE CAPITAL

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of shares	₹ in lakhs	No of shares	₹ in lakhs
Authorized Share Capaital				
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 March 31, 2023		As at March 31, 2022	
	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	-	-	-	-
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

Sr. No.	Particulars	As at March 31, 2023			As at March 31, 2022		
		No of Shares	% of Total Shares	% change during the year	No of Shares	% of Total Shares	% change during the year
1.	Shri Laxmikumar Narottam Goculdas	9018420	36.16%	-	9018420	36.16%	-

NOTE 15: OTHER EQUITY

(₹ in lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
(i)	Security Premium Reserves	1,714.81	1,714.81
(ii)	Capital Redemption Reserve	280.00	280.00
(iii)	Other Reserves	66.59	66.59
(iv)	Retained Earnings	15,118.06	14,681.79
(v)	Other Comprehensive Income	116.48	96.36
		17,295.95	**16,839.55**

(i) Security Premium Reserve

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
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 Share Premium (HO)	**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 March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	280.00	-
Add: Transfer during the year	-	280.00
Balance at the end of the year	**280.00**	**280.00**

(iii) Other Reserve

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
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 March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	14,681.79	12,950.15
Less: Transfer to Capital Redemption Reserve	-	(280.00)
Add: Profit for the year	685.67	2,136.34
Less: Equity Dividend Paid	(249.40)	(124.70)
Balance at the end of the year	**15,118.06**	**14,681.79**

Retained earnings are used from time to time to transfer profits from retained earnings for appropriation purposes. The amount that can be distribuated by the Company as dividend to its equity shareholders is determined as per the provision of the Comapnies Act, 2013 and the dividend distribution policy of the Company.

(v) Other Comprehensive Income

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	96.36	62.75
OCI for the year	20.12	33.61
Balance at the end of the year	**116.48**	**96.36**

OCI represents the cumulative gains and losses arising on the revaluation of financial assets and liabilites measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

NOTE 16: LONG TERM BORROWINGS

Term Loan

(₹ in lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
(a)	Secured		
	From Bank & Financial Institutions		
	(i) Car Loan from Financial Institutions	3.34	-
	(ii) Project Loan from Bank	5,805.80	5,212.42
		5,809.14	**5,212.42**

(₹ in lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
(b)	Unsecured		
	From Other Parties		
	(i) Fixed Deposits	948.50	813.00
	(ii) Accrued Interst on Fixed Deposits	2.92	-
		951.42	813.00
	Total Long Term Borrowings	6,760.56	6,025.42

(a) (i) Car Loan from a bank/Financial Institotions:

Loans against vehicles are for a period of three to five years and repayable by way of equated monthly installment, Interest rate ranges from 9.50% to 0%. Secured against hypothecation of Vehicles.

Out of total outstanding Car loan as on March 31, 2023 of ₹ 6.29 lakhs (Previous Year: ₹ 6.22 lakhs), amount due in next twelve months is ₹ 2.95 lakhs.

(Previous Year: ₹ 6.22 lakhs), which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21 (1)(ii)).

The balance Car Loan of ₹ 3.34 lakhs (Previous Year: ₹ Nil) is shown above as Car loan from Bank/Non-Banking Financial Institution.

(a) (ii) Project Loan from bank:

i) Sanctioned Term Loan: ₹ 580.00 lakhs. Current Outstanding as on March 31, 2023 is Nil (Previous year ₹ 139.66 lakhs). Repayable in 57 EMI's commencing from July 27, 208. Rate of interest is 10.25%. All the 57 EMI's have been paid in time, up to March 31, 2023.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

ii) Sanctioned Term Loan: ₹ 700.00 lakhs. Current Outstanding as on March 31, 2023 is ₹ 483.15 lakhs (Previous Year ₹ 605.99 lakhs). Repayable in 60 EMI's commencing from June 2021. Rate of interest is 10.25%.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

iii) Sanctioned Term Loan: ₹ 1,500.00 lakhs. Current Outstanding as on March 31, 2023 is ₹ 675.00 lakhs (Previous Year ₹ 975.00 lakhs). Repayable in 60 EMI's commencing from July 15, 2020. Rate of interest is 10.25%.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Dahej.

iv) Sanctioned Term Loan: ₹ 1,875.00 lakhs. Current Outstanding as on March 31, 2023 is ₹ 1,667.73 lakhs (previous Year ₹ 1,764.23 lakhs).

Repayable in 60 EMI's commencing from 30.04.2022. Rate of interest is 9.85%.

Secured against mortgage of land and building of the Company, both present and future, situated at Dahej.

v) Sanctioned Term Loan: ₹ 600.00 lakhs. Current Outstanding as on March 31, 2023 is ₹ 621.12 lakhs (Previous Year ₹ 370.00 lakhs).

Repayable in 60 EMI's commencing from April 30, 2022. Rate of interest is 9.85%.

Secured against mortgage of land and building of the Company, both present and future, situated at Dahej.

vi) Sanctioned Term Loan: ₹ 2,625.00 lakhs. Current Outstanding as on March 31, 2023 is ₹ 2,373.31 lakhs (Previous Year ₹ 2,113.64 lakhs). Repayable in 60 EMI's commencing from May 31, 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.

vii) Sanctioned Term Loan: ₹ 790.00 lakhs. Current Outstanding as on March 31, 2023 is ₹ 398.04 lakhs. (Previous Year Nil), Repayable in 60 EMI's commencing from September 10, 2023. Rate of interest is 9.85%.

Secured against mortgage of land and building of the Company, both present and future, situated at Roha.

Out of total outstanding term loan as on March 31, 2023 of ₹ 7,778.24 lakhs (PY: ₹ 5,968.52 lakhs), amount due in next twelve months is ₹ 1,969.10 lakhs

(PY: ₹ 1,231.10 lakhs), which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21 (1)(iii)). The balance Term Loan of ₹ 5,809.14 lakhs (PY: ₹ 4,737.42 lakhs) is shown in above term loan for Project.

(a) (iii) Mortgage Term Loan from Bank:

Sanctioned Term Loan: ₹ 1,100.00 lakhs. Current Outstanding as on March 31, 2023 is NIL (Pervious year ₹ 265.24 lakhs). Repayable in 57 EMI's commencing from July 27, 2018, Rate of interest is 10.25%. All the 57 EMIs have been paid in time, up to March 31, 2023.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

****Interest free Sales Tax Loan from MEDA:**

Interest free Sales Tax Loan from MEDA is repayable in 30 equal installment startding from May 2010 and ending May 2023.

Out of total outstanding Interest free Sales Tax Loan as on March 31, 2023 of Nil (PY: ₹ 3.62 lakhs), amount due in next twelve months is Nil (Previous year ₹ 3.62 lakhs which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21(1)(vi)). All the installment paid in time up to March 31, 2023.

NOTE 17: LONG TERM PROVISIONS

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits		
Provision for Gratuity	121.48	122.01
Provision for Leave benefit	63.28	61.71
	184.76	**183.72**

NOTE 18: OTHER NON-CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Security Deposits from distributors and others	26.51	26.51
(ii) Security Deposits received against Royalty	31.36	30.49
	57.87	**57.00**

NOTE 19: SHORT TERM BORROWINGS

(₹ in lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
(a)	**Secured**		
	From Banks		
	Cash Credit Facilities	481.97	198.48
	Working Capital Demand Loan	328.87	454.86
	Export Packing Credit	546.29	1,116.37
		1,357.13	**1,769.71**

Bank has sanctioned Working Capital facility against hypothecation of all Current Assets, present and future. Inventories and Receivables of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat are offered as security and Mortgage of Office Premises of the Company situated at Mumbai.

NOTE 20: TRADE PAYABLES

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Outstanding due to Micro and Small Enterprise	78.71	98.08
(ii) Trade Payable other than Micro and Small Enterprise	3,614.23	4,072.57
(iii) Bills Payable	4,499.38	2,832.05
	8,192.32	**7,002.70**

20.1 Payment towards trade is made as per the terms and condition of the contract/purchase order. Average Credit period is 30-90 days.

20.2 Information as required to be furnished under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2023 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 March 31, 2023	As at March 31, 2022
(i) Principal amount due and remaining unpaid	78.71	98.08
(ii) Interest due on above and the unpaid interest	2.34	1.14
(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	2.34	1.14
(vii) Amount of further interest remaining due and payable in succeding years for the purpose of disallowance under Section 23 of the MSMED Act	-	-

Trade Payables ageing schedule for the year ended as on March 31, 2023 and March 31, 2022:

(₹ in lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2023					
MSME	78.71	-	-	-	78.71
Others	3,422.97	191.26	-	-	3,614.23
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
As at March 31, 2022					
MSME	98.08	-	-	-	98.08
Others	4,061.66	10.91	-	-	4,072.57
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-

NOTE 21: OTHER FINANCIAL LIABILITIES

(₹ in lakhs)

	Particulars	As at March 31, 2023		As at March 31, 2022	
1	**Current maturities of long-term debt**				
	(i) Current maturities of Long Term Debts (Car Loan)	2.95		6.22	
	(ii) Current maturities of Long Term Debts (Project Loan)	1,829.06		1,231.10	
	(iii) Current maturities of Mortgage Loan	137.08		265.24	
	(iv) Current maturities of Interest free Sales Tax Loan from MEDA	-		3.62	
		1,969.09		**1,506.18**	
2	**Unpaid Dividend (Amount Transferable to Investor Education & Protection Fund when due)**	**49.27**		**41.05**	
3	**Unpaid Matured Fixed Deposits (Unclaimed)**	**0.11**		**0.21**	
			2,018.47		**1,547.44**
4	**Others Payable**				
	(i) Trade Deposit	77.53		78.53	
	(ii) Advance received from customers	127.92		46.25	
	(iii) Others	1,074.81		1,804.86	
			1,280.26		**1,929.64**
			3,298.73		**3,477.08**

* During the year Company has repaid the Current maturities of Working Capital Term Loan and Property Loan.

NOTE 22: OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	56.80	179.34
Due to Employees	280.39	253.82
	337.19	**433.16**

NOTE 23: PROVISIONS (CURRENT)

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits		
Provision for Gratuity	21.07	7.42
Provision for Leave benefits	10.95	6.44
	32.02	**13.86**

NOTE 24: REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Contracts with Customers		
Sale of Chemical Products	38,147.93	32,420.16
Other Operating Revenues		
- Royalty	64.11	67.55
- Export Incentives	219.11	109.72
- Wind Mills	28.96	32.37
	312.18	**209.64**
	38,460.11	**32,629.80**
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	38,147.93	32,420.16
Traded sales	-	-
	38,147.93	**32,420.16**
Geographical		
India	25,751.81	23,465.80
Outside India	12,396.12	8,954.36
	38,147.93	**32,420.16**
Timing of Revenue Recognition		
Goods transferred at a point in time	**38,147.93**	**32,420.16**
2. Contract Balances		
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers		
Trade Receivables	5,201.58	4,975.69
Contract Liabilities		
Advances from Customers	127.92	46.25

(₹ in lakhs)

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
3.	**Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**		
	Revenue as per contracted price	38,967.59	33,206.84
	Adjustments		
	Significant financing component		
	Sales return	322.05	132.19
	Rebate	-	-
	Discount	497.60	654.49
	Revenue from contract with customers	**38,147.93**	**32,420.16**
4.	**The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31, 2023:**		
	Advances from customers	**127.92**	**46.25**

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 25: OTHER INCOME

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Income	13.33	26.53
Dividend Income	2.03	1.72
Profit on Sale of Fixed Assets	20.89	28.44
Profit on Sales of Investment	98.67	0.98
Other non - operating income	304.22	435.44
Sundry Credit Balances Written Back	32.01	104.18
	471.15	**597.29**

NOTE 26: COST OF MATERIAL CONSUMED

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of Raw Materials	25,875.54	20,004.50
Consumption of Packing Materials	92.98	238.13
	25,968.52	**20,242.63**

NOTE 27: PURCHASE OF STOCK IN TRADE

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Purchased of Goods Traded	-	-
	-	-

NOTE 28: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROCESS AND TRADE GOODS (AS CERTIFIED BY THE MANAGEMENT)

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory at the beginning 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**
Inventory at the end of the year		
Work in Process	1,199.62	313.23
Finished Goods	1,721.96	1,431.72
Traded Goods	-	-
	2,921.58	**1,744.95**
	(1,176.63)	**(505.66)**

NOTE 29: EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and Wages (Net after Repairs)(*)	1,914.57	1,628.99
Contribution to Provident Fund	116.94	105.91
Contribution to Other Funds (Gratuity, Superannuation, etc)	83.77	69.25
Staff Welfare Expenses	272.02	239.47
	2,387.30	**2,043.62**
(*) Salaries & Wages allocated to Repairs etc.	60.98	68.05

NOTE 30: FINANCE COST

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Finance Cost		
Interest Paid to Banks	628.29	196.98
Interest paid to Others	389.71	178.35
Interest paid on Lease	3.03	3.93
Dividend on Preference Shares	-	7.00
Bank Charges	36.99	64.59
Total	**1,058.02**	**450.85**

NOTE 31: OTHER EXPENSES

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Power, Fuel and Water	1,694.90	1,536.80
Repairs to buildings	67.34	85.22
Repairs to machinery	1,719.43	1,241.70
Research & Development Expesnes	125.91	166.86
Insurance	174.70	131.37

(₹ in lakhs)

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
Rates and taxes		21.51		61.04
Director fees and Commission to Non Whole Time Directors		52.80		42.30
Internal handling, Freight and carriage outward		1,911.73		1,811.70
Net loss/(gain) on foreign currency transactions		313.53		66.40
Auditors' Remuneration				
Audit fees	12.75		9.00	
For other services	9.85		4.50	
Reimbursement of out of pocket expenses	0.43		0.39	
		23.03		**13.89**
Sundry Balances Written Back		11.80		24.60
Written Down Value Assets Scrapped/Loss on Sale of Fixed Assets/Investments		0.23		0.34
Expenditure on Corporate Social Responsibility initiatives		65.22		73.09
Miscellaneous expenses *		1,703.54		1,519.52
		7,885.67		**6,774.83**

*None of the item individually accounts for more than ₹ 10,00,000/- or 1% of revenue whichever is higher.

NOTE 32: CONTINGENT LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
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	33.34
(iii) Claims against Company not acknowledged as debts	34.77	34.77

The Company has reviewed all its pending litigations & proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable. The Company does not expect the outcome of these proceedings to materially adverse effect.

The Company has received Differential Duty demand of ₹ 14.33 Crores (on Import of crude/un-refined Sulphur during the period 2004-2005 to 2008-2009, provisionally assessed then), at concessional rate of Basic Customs Duty in term of Entry at Sr. No. 60 of Notification No. 21/2002- Cus dated March 01, 2002 which granted concessional rate of basic customs duty on the import of “Crude or unrefined Sulphur” falling under Chapter Sub-heading No. 2503 00 of Customs Tariff). The Company has now filed Appeal before CESTAT being Appeal No. C/89904/2018 – DB dated January 02, 2019 (against the Order dated February 07, 2018 of the Commissioner (Appeals), Mumbai) and deposited an amount of ₹ 1.43 Crores (being the 10% of the alleged demand of differential duty of ₹ 14.33 Crores), as a condition precedent for the Appeal before the CESTAT. The Appeal is pending at CESTAT, Mumbai, and will come up for hearing in course of time. Based on the legal advice the Company is confident to successfully succeed in the appeal.

The Company had imported Rock Phosphate (for the manufacture of Fertilizer viz. Single Super phosphate) and the Bill of Entry for the consignments of Rock Phosphate imported during the period 2005-2006 to 2007-2008, were provisionally assessed and goods were allowed to be cleared with “Nil” Special additional Duty (SAD for short) falling under Chapter heading, Sub-heading or tariff item “31 or any other chapter” of the first Schedule of Customs Tariff. Subsequently, the Department raised an alleged demand of ₹ 1.21 Crores on account of the enhancement of declared value (Invoice value on which duty was assessed provisionally) and denial of ‘Nil” (SAD) under Notification- 20/2006-Cus dated March 01, 2006 on the alleged ground that the Company had allegedly failed to submit the relevant documents which could prove that the imported Rock Phosphate was used for the manufacturing of “fertilizer”. The Company has now filed Appeal before CESTAT being Appeal No. C/89910/2018 - DB dated January 02, 2019 (against the Order dated February 07, 2018 of the Commissioner (Appeals),Mumbai.)and deposited an amount of ₹ 12.16 lakhs being the 10% of the alleged demand of ₹ 1.21 Crores. The Appeal is pending at CESTAT Mumbai and will come up for hearing in course of time. Based on the legal advice the Company is confident to successfully succeed in the appeal.

NOTE 33: COMMITMENTS

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated Amount of Contracts remaining to be executed on Capital Account & not provided for (Net of Advances)	666.57	459.96

NOTE 34: LEASES

The Company as leasee, 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 March 31, 2022	35.79
Additions	-
Depreciation Expenses	11.93
Termination	-
As at March 31, 2023	**23.86**

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 March 31, 2022	38.56
Additions	-
Accretion of Interest	3.03
Payments	14.85
Termination	-
As at March 31, 2023	**26.74**

The following are the amounts recognised in profit or loss:

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation expense of right-of-use assets	11.93	11.93
Interest expense on lease liabilities	3.03	3.93
Expense relating to short-term leases and low value leases (included in other expenses)	22.38	27.86
Total amount recognised in profit or loss	**37.34**	**43.72**

The Company had total cash outflows for leases of ₹ 37.34 lakhs in March 31, 2023 (₹ 43.72 lakhs in March 31, 2022). There are no non cash additions to right-of-use assets and lease liabilities.

NOTE 35: There is only one reportable segment i.e chemicals business of the Company.

NOTE 36: 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 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 have spent an amount of ₹ 65.22 lakhs (Previous year ₹ 73.09 lakhs) towards several CSR activities.

Corporate Social Responsibility expenditure is as follows:

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Amount required to be spent by the company during the year	63.80	72.00
Amount of expenditure incurred	65.22	73.09
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 37: EARNING PER SHARE

EPS amount are calculated by dividing the profit for the year attributed to Equity holders of the parents by weighted average number of Equity shares outstanding during the year.

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit attributable to Equity share holder of the Company	685.67	2,136.34
Weighted Average Number of Equity Shares	2,49,39,933	2,49,39,933
Earning per Equity Shares (Basic & Diluted)	2.75	8.57

NOTE 38: 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.

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company. The currencies in which the Company is exposed to risk are generally USD and EUR. The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contract.

Exposure to currency risk - Unhedged

Particulars	As at March 31, 2023			As at March 31, 2022		
	Currency		(₹ in lakhs)	Currency		(₹ in lakhs)
Trade Receivables	USD	27,55,276	2,265.30	USD	14,14,401	1,072.26
	EURO	4,90,912	439.89	EURO	6,45,793	546.73
			2,705.20			**1,618.99**
Hedged Position	USD	-	-		-	-
			2,705.20			**1,618.99**
Trade Payable	USD	37,638	(30.94)	USD	3,17,800	(240.92)
Net Exposure to Currency Risk			**2,674.25**			**1,378.06**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EUR against all other currencies at March 31 would have affected the measurement of financial exposure denominated in a foreign currency and affected equity and profit or loss by the amounts shown below.

Movement of USD and EUR and its effect on financial exposure on P&L (1% variation +/-). The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

(₹ in lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Profit or Loss		Profit or Loss	
	Strengthening	Weakening	Strengthening	Weakening
USD 1% Movement	22.34	(22.34)	8.31	(8.31)
EURO 1% Movement	4.40	(4.40)	5.47	(5.47)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees of fixed rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate.

In order to optimize the company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

(i) The exposure of borrowings to interest rate changes at the end of reporting period are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed rate borrowings	9,135.37	8,484.69
Interest Swap	-	404.90
Net Exposure after Swap	**9,135.37**	**8,079.79**

(₹ in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Weighted average interest rate (%)	Balance	% of total loans	Weighted average interest rate (%)	Balance	% of total loans
Term Loans	9.30%	7,778.24	85.14%	7.33%	6,714.98	79.14%
Loans repayable on demand *	8.78%	1,357.13	14.86%	3.91%	1,769.71	20.86%
Net exposure to cash flow interest rate risk		**9,135.37**			**8,484.69**	

*Loans repayable on demand includes 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 39: OTHER ADDITIONAL INFORMATION

(i) Value of raw materials and boughtouts, stores, spares and components consumed

Particulars	For the year Ended March 31, 2023		For the year ended March 31, 2022	
	(₹ in lakhs)	%	(₹ in lakhs)	%
Raw Materials and Boughtouts:				
Imported	1,867.54	7.22%	1,495.49	7.41
Indigenous	24,008.00	92.78%	18,697.19	92.59
	25,875.54	**100.00%**	**20,192.68**	**100.00**

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Stores, Spares and Components:		
Indigenous	1,592.17	764.41
(ii) Value of imports Calculated on Cif Basis:		
Raw Materials & Boughtouts	1,645.96	1,484.23

(₹ in lakhs)

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
(iii)	**Expenditure in Foreign Currency on Account of:**		
	Foreign Tours, Subscription, Depot & Exhibition Expenses Etc.	114.24	100.65
(iv)	**Earnings in Foreign Currency in Respect of:**		
	Export Of Goods Calculated On Fob Basis	11,522.78	8,186.10

NOTE 40: 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	For the year ended March 31, 2023	For the year ended March 31, 2022
Sales Turnover:		
i) In India	25,751.81	23,465.80
ii) Outside India	12,396.12	8,954.36
Total	**38,147.93**	**32,420.16**

NOTE 41: RELATED PARTIES DISCLOSURES

Sr. No.	Names of related parties	Nature of Relationship
(i)	Shri Laxmikumar Narrottam Goculdas	Promoter and Chairman (holding more than 20% of the voting power of the Company)
(ii)	DMCC (Europe) GmbH(formarly Borax Morarji (Europe) GmBH)	Wholly Owned Subsidiary
(iii)	The Natural Gas Co.Pvt.Limited	Enterprises under the Control of Promoter and Key Managerial persons
(iv)	L.P.Gas Equipment Pvt.Limited	Enterprises under the Control of Promoter and Key Managerial persons
(v)	L.P.Gas Transport & Bottling Co. Pvt.Limited	Enterprises under the Control of Promoter and Key Managerial persons
(vi)	Phoenix Distributors Pvt.Limited	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.Limited	Enterprises under the Control of Promoter and Key Managerial persons
(ix)	Bombay Foods Pvt.Limited	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 Laxmikumar Goculdas	Daughter of Promoter and Chairman
(xii)	Shri Bimal Lalitsingh Goculdas	Key Management Person - Managing Director and Chief Executive Officer
(xiii)	Shri Dilip Trimbak Gokhale	Key Management Person - Executive Director
(xiv)	Shri Chirag Shah upto February 10, 2023	Key Management Person - Chief Finance Officer
(xv)	Shri Omkar Mhamunkar	Key Management Person - Company Secretary

(₹ in lakhs)

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
A	**Transaction with Promoters holding more than 20% of the voting power**		
	Sitting Fees for attending Board and Committee meetings - Shri Laxmikumar Narrottam Goculdas	2.50	2.25
	Commission paid to Promoter- Shri Laxmikumar Narottam Goculdas	12.33	10.81

(₹ in lakhs)

Particulars			For the year ended March 31, 2023	For the year ended March 31, 2022
B	Sitting Fees for attending Borad Meeting to Mitika Laxmikumar Goculdas		2.50	2.25
	Commission paid to Promoter- Mitika Laxmikumar Goculdas		4.93	3.60
C	**Transactions with Related Parties**			
	(i)	**Sale of Goods/Services Rendered by the Company**		
		Falcon Chemicals LLC, Dubai	-	-
		DMCC (Europe) GmbH (formarly Borax Morarji (Europe) GmBH)	40.98	14.80
	(ii)	Closing balance of Falcon Chemical LLC, Dubai included in Current Assets of the Company	-	-
		Closing balance of DMCC (Europe) GmbH(formarly Borax Morarji (Europe) GmBH) included in Current Assets of the Company	28.40	6.35
D	**Transactions relating to Key Management Personnel**			
	(i)	**Remuneration**		
		Shri Bimal Lalitsingh Goculdas	151.85	143.43
		Shri Dilip. Trimbak Gokhale	48.75	41.19
		Shri Chirag Shah (upto February 10, 2023)	33.07	35.66
		Shri Omkar Mhamunkar	15.28	13.13
			248.94	**233.42**
	(ii)	**Perqisities and Other Benefits**		
		Shri Bimal Lalitsingh Goculdas	34.57	34.61
		Shri Dilip. Trimbak Gokhale	0.57	0.95
		Shri Chirag Shah (upto February 10, 2023)	0.27	0.32
		Shri Omkar Mhamunkar	0.78	0.50
			36.18	**36.38**
			285.13	**269.80**

Related party relationships are as identified by the Company and relied upon by the Auditors.

NOTE 42: EMPLOYEE BENEFITS

The Company has made provision for following benefit plans as per Accounting Standard 15 (Revised 2005) “Employee Benefits”. Defined Benefit Plans/Long Term Compensated Absences: As per Actuarial Valuation as on March 31, 2023, the required data is as follows:

I. Continuing Employees:

(₹ in lakhs)

Particulars		Apr 22/Mar 23 Gratuity	Apr 22/Mar 23 Leave Encashment	Apr 21/Mar 22 Gratuity	Apr 21/Mar 22 Leave Encashment
A	**Expense recognised in the statement of Profit & Loss Account for period ended March 31, 2023**				
	1. Current Service Cost	20.02	5.49	18.34	6.21
	2. Interest Cost	17.77	2.50	15.56	2.40
	3. Past Service Cost (vested benfits)	-	-	-	-
	4. Expected Return on plan assets	-	-	-	-
	5. Actuarial (Gain)/Losses	17.64	4.87	33.84	-
	6. Total Expenses	**55.43**	**12.86**	**67.74**	**8.61**

(₹ in lakhs)

Particulars		Apr 22/Mar 23 Gratuity	Apr 22/Mar 23 Leave Encashment	Apr 21/Mar 22 Gratuity	Apr 21/Mar 22 Leave Encashment
B	**Net Assets/(Liability) recognised in the Balance Sheet as at March 31, 2023**				
	1. Present value of Defined Benefit Obligation as at March 31, 2023	270.85	43.73	239.95	36.32
	2. Fair Value of plan assets as at March 31, 2023	13.97	-	14.61	-
	3. Funded Status [(Surplus/(Defecit)]	(256.88)	(43.73)	(225.34)	(36.32)
	4. Net asset/(Liability) as at March 31, 2023	**(256.88)**	**(43.73)**	**(225.34)**	**(36.32)**
C	**Change in Obligation during the period ended March 31, 2023**				
	1. Present value of Defined Benefit Obligation at the beginning of the year	239.94	36.32	222.14	34.86
	2. Current Service Cost	20.02	5.49	18.34	6.21
	3. Interest Cost	17.77	2.50	15.56	2.40
	4. Settlement Cost	-	-	-	-
	5. Past Service Cost - (Vested Benefits)	-	-	-	-
	6. Employee Contribution/transfer	-	-	-	-
	7. Actuarial (Gain)/Losses	17.64	4.87	33.84	(1.34)
	8. Benefits Payments	(24.52)	(5.44)	(49.94)	(5.81)
	9. Present value of Defined Benefit Obligation at the end of the year	270.85	43.74	239.94	36.32
D	**Change in Assets During the period ended March 31, 2023**				
	1. Plan assets at the beginning of the year	14.61	-	14.61	-
	2. Settlements	-	-	-	-
	3. Expected return on plan assets	1.85	-	2.62	-
	4. Contributions by employers		-	-	-
	5. Actual benefits paid		-	-	-
	6. Actuarial {Gain/(Losses)}	(2.50)	-	(2.62)	-
	7. Plan assets at the end of the year	13.96	-	14.61	-
E	**Actuarial Assumptions**				
	1. Discount Rate	7.25%	7.25%	7.66%	7.66%
	2. Mortality Rate	IALM2012-14	IALM2012-14	IALM2008	IALM2008

NOTE 43: 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 (₹ 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 lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

  (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

  (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

  (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The company holds all the title deeds of immovable property in its name.

(ix) The company is not declared as wilful defaulter by any bank or financial Institution or other lender.

(x) The company is required to file any quarterly returns/ statements with the bank.

(xi) There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 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 44:

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

Rahul Gautam Divan
Partner
Membership No. 100733

L. N. Goculdas
Chairman
DIN: 00459347

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

S. V. Joshi
Independent Director
DIN: 00392020

D. T. Gokhale
Executive Director
DIN: 06734397

O. C. Mhamunkar
Company Secretary

Place: Mumbai
Date: May 17, 2023

Independent Auditor's Report

To the Members of DMCC Speciality Chemicals Limited (formerly known as The **Dharamsi Morarji Chemical Company Limited**)

Report on the Consolidated Ind AS Financial Statements

OPINION

We have audited the accompanying Consolidated Ind AS financial statements of DMCC Speciality Chemicals Limited (formerly known as The Dharamsi Morarji Chemical Company Limited) (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at March 31, 2023, their Consolidated profit including other comprehensive income, and their consolidated Cash flows and Consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements for the financial year ended March 31, 2023. 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.	**Litigations and claims** (Refer to note 32 to the consolidated Ind AS financial statements) These cases are pending with multiple tax authorities like Income Tax, Excise, Service tax etc. and labour law cases which have not been acknowledge as debt by the company. 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.	**Principal Audit Procedures:** • 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.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
		Conclusion: 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.
2.	**Revenue Recognition** (as described in note 2.12 of the consolidated Ind AS financial statements) For the year ended March 31, 2023 the Company has recognized revenue from contracts with customers amounting to ₹ 38,147.93 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. 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. 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. 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.	**Principal Audit Procedures:** Our audit procedures included the following: • 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. • 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 2022-23, 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, 2014and Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

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

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENT

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

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entity included in the Consolidated Financial Statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatement in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the result of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

We did not audit the financial statements and other financial information, in respect of a subsidiary whose Ind AS Financial Statements include total assets of ₹ 59.72 lakhs as at March 31, 2023, and total revenues of ₹ 27.48 lakhs for the year ended on that date. These Ind AS Financial Statement and other financial information have not been audited by other auditors and the unaudited financial statements and other financial information have been furnished to us by the management. Our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report as furnished to us by the Management.

Our opinion above on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Ind AS Financial Statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;

(c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standard) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's companies, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company incorporated in India, refer to our separate report in **"Annexure 1"** to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group, – Refer Note 32 to the Consolidated Ind AS Financial Statements.

ii. The Holding Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2023.

iv. (i) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note to the accounts, no funds have been received by the company from in any other person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid during the year by the Company is as per the provisions of Section 123 of the Companies Act, 2013.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 01, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

(h) The Holding Company has paid remuneration to its Executive Directors in excess of the limits specified in Section 197 of the Act for the Financial Year 2022-2023 as the Company has inadequate profits in terms of Section 198 of the Act. As per the explanations provided to us, the Company is in the process of complying with the prescribed statutory requirements to regularize such excess payment, including seeking approval of the shareholders, as necessary.

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

Rahul Gautam Divan
Partner
Membership No.: 100733
UDIN: 23100733BGYAXL5749

Place: Mumbai
Date: May 17, 2023

Annexure 1

To the independent auditor's report of even date on the Consolidated Financial Statements of DMCC Speciality Chemicals Limited (Formerly known as The Dharamsi Morarji Chemical Company Limited)

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

In conjunction with our audit of the consolidated financial statements of DMCC Speciality Chemicals Limited (formerly known as The Dharamsi Morarji Chemical Company Limited) as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of DMCC Speciality Chemicals Limited (formerly known as The Dharamsi Morarji Chemical Company Limited) (hereinafter referred to as the "Holding Company" or "the Company") which is incorporated in India as of that date. The subsidiary company which is part of the Group is incorporated outside India and Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") is not applicable to the subsidiary company.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 Gautam Divan
Partner
Membership No.: 100733
UDIN: 23100733BGYAXL5749

Place: Mumbai
Date: May 17, 2023

Consolidated Balance Sheet

As at March 31, 2023

(₹ in lakhs)

Particulars		Notes	As at March 31, 2023	As at March 31, 2022
ASSETS				
(1)	**Non Current Assets**			
	(a) Property, Plant and Equipment	3 (a)	21,431.91	15,839.62
	(b) Capital work-in-progress	3 (a)	1,133.41	6,282.47
	(c) Goodwill	3 (b)	1,465.10	1,465.10
	(d) Other Ingangible Assets	3 (b)	54.10	66.30
	(e) Right of Use Assets	34	23.86	35.79
	(f) Other non Current Financial Assets			
	(i) Non Current Investments	4	39.00	39.08
	(ii) Other non-current assets	5	698.61	376.68
	(g) Deferred Tax Assets (Net)	6	1,523.59	1,704.64
	Total Non Current Assets		**26,369.58**	**25,809.68**
(2)	**Current Assets**			
	(a) Inventories	7	5,283.90	4,199.02
	(b) Financial Assets			
	(i) Trade receivables	8	5,215.97	4,977.82
	(ii) Cash and cash equivalents	9	158.20	225.45
	(iii) Bank balances other than cash and cash equivalents	10	85.31	70.78
	(vi) Others current financial assets	11	176.77	69.21
	(c) Current Tax Assets (Net)	12	138.59	2.58
	(d) Other Current Assets	13	2,669.52	3,024.79
	Total Current Assets		**13,728.26**	**12,569.65**
TOTAL ASSETS			**40,097.84**	**38,379.33**
EQUITY AND LIABILITIES				
Equity				
	(a) Equity Share capital	14	2,493.99	2,493.99
	(b) Other Equity	15	17,331.46	16,868.45
Total Equity			**19,825.45**	**19,362.44**
Liabilities				
(1)	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	(i) Long Term Borrowings	16	6,760.56	6,025.42
	(ii) Long Term Lease Liabilities	34	23.67	34.63
	(b) Long Term Provisions	17	184.76	183.72
	(c) Other non-current liabilities	18	57.87	57.01
	Total Non Current Liabilities		**7,026.86**	**6,300.78**
(2)	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Short Term Borrowings	19	1,357.13	1,769.71
	(ii) Short Term Lease Liabilities	34	3.93	3.93
	(iii) Trade payables	20		
	(a) Due to Micro & Small Enterprises		78.71	98.08
	(b) Due to Other than Micro & Small Enterprises		8,135.25	6,919.93
	(iv) Other financial liabilities	21	3,301.30	3,477.43
	(b) Other current liabilities	22	337.19	433.16
	(c) Provisions	23	32.02	13.87
	Total Current Liabilities		**13,245.53**	**12,716.11**
Total Liabilities			**20,272.39**	**19,016.89**
TOTAL EQUITY AND LIABILITIES			**40,097.84**	**38,379.33**

significant accounting policies and notes to Financial Statements (Note 2).

The accompaning 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

Rahul Gautam Divan
Partner
Membership No. 100733

L. N. Goculdas
Chairman
DIN: 00459347

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

S. V. Joshi
Independent Director
DIN: 00392020

D. T. Gokhale
Executive Director
DIN: 06734397

O. C. Mhamunkar
Company Secretary

Place: Mumbai
Date: May 17, 2023

Consolidated Statement of Profit and Loss

For the year ended March 31, 2023

(₹ in lakhs)

Particulars	Notes	For the year ended March 31, 2023		For the year ended March 31, 2022	
Income					
Revenue from Operations	24		38,473.61		32,630.02
Other Income	25		485.14		605.33
Total Income			**38,958.75**		**33235.35**
Expenses					
Cost of Raw Materials Consumed	26		25,968.52		20,242.63
Purchase of Stock-in-Trade	27		-		-
Changes in Inventories of Finished Goods and Work in Progress	28		(1,176.63)		(505.66)
Employee Benefits Expenses	29		2,387.31		2,043.62
Finance costs	30		1,058.02		450.85
Depreciation and amortization expense	3(a)		1,760.58		805.98
Other Expenses	31		7,901.43		6,783.71
Total Expense			**37,899.23**		**29,821.13**
Profit before tax			**1,059.52**		**3,414.22**
Tax Expense					
Current Tax		189.83		889.60	
Deferred Tax		176.63		390.62	
			366.46		**1,280.22**
Profit for the year			**693.06**		**2,134.00**
Other Comprehensive Income					
(a) i) Items that will not be reclassified to profit or loss			25.27		34.77
ii) Income tax relating to items that will not be reclassified to Profit& Loss			(4.42)		-
(b) i) Items that will be reclassified to Profit and Loss			(1.50)		-
ii) income Tax relating to Items that will be reclassified to Profit and Loss			-		(1.15)
Total Other Comprehensive Income			**19.35**		**33.62**
Total Comprehensive Income for year			**712.41**		**2,167.62**
Earnings per equity share (FV ₹ 10/- per share)					
Basic & Diluted (in ₹)- Refer Note No.37			2.78		8.56

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

The accompaning 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

Rahul Gautam Divan
Partner
Membership No. 100733

L. N. Goculdas
Chairman
DIN: 00459347

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

S. V. Joshi
Independent Director
DIN: 00392020

D. T. Gokhale
Executive Director
DIN: 06734397

O. C. Mhamunkar
Company Secretary

Place: Mumbai
Date: May 17, 2023

Consolidated Cash Flow Statement

For the year ended March 31, 2023

(₹ in lakhs)

		Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
A		**CASH FLOW FROM OPERATING ACTIVITIES:**				
		Net Profit before tax		1,059.52		3,414.23
		Add:				
	1	Depreciation and amortisation	1,760.58		805.98	
	2	Interest charged	1,058.02		450.85	
	3	Unrealised Foreign Exchange Loss/(Gain)	313.53		66.40	
	4	(Gain)/Loss on sale of PPE/Investments	(119.33)		-	
				3,012.79		**1,323.23**
		Less:				
	1	Interest Income	13.33		26.53	
	2	Dividend Income	2.03		1.72	
	3	Increase/(decrease) in Value of Investment	(0.08)		-	
				15.28		**28.25**
		Operating Profit before change in working capital		**4,057.03**		**4,709.20**
		Working capital changes:				
		Add/(Less):				
	1	(Increase)/Decrease in inventories	(1,084.89)		(466.76)	
	2	(Increase)/Decrease in trade receivables	(551.67)		(1,815.07)	
	3	(Increase)/Decrease in Other Financial Assets	(107.55)		53.00	
	4	(Increase)/Decrease in Other non current Assets	(321.93)		(191.69)	
	5	(Increase)/Decrease in Other Current Assets	355.25		(1,373.27)	
	6	Increase/(Decrease) in trade payables	1,195.95		4,110.38	
	7	Increase/(Decrease) in other long term liabilities	0.86		18.49	
	8	Increase/(Decrease) in other current financial liabilities	(176.14)		642.58	
	9	Increase/(Decrease) in other current liabilities	(95.97)		141.51	
	10	Increase/(Decrease) in Current Provisions	18.15		(24.91)	
	11	Increase/(Decrease) in Non-Current Provisions	1.04		(3.80)	
				(766.90)		**1,090.48**
		Cash generated from opertions Add/(Less):		**3,290.14**		**5,799.68**
		Direct taxes paid (Net of refunds)		(302.07)		(686.41)
		Net Cash inflow from Operating Activities (A)		**2,988.07**		**5,113.27**
B		**CASH FLOW FROM INVESTING ACTIVITIES:**				
		Add:				
	1	Proceeds from sale of Property, Plant & Equipment/Investment	119.33		-	
	2	Interest received	13.33		26.53	
	3	Dividend received	2.03		1.72	
				134.69		28.25
		Less:				
	1	Purchase of Property, Plant & Equipment/increase in Capital WIP	(2,190.62)		(9,860.46)	
	2	(Purchase)/Sale of Current Investment	-		4.14	
				(2,190.62)		(9,856.32)
		Net Cash inflow from Investing Activities (B)		**(2,055.93)**		**(9,828.07)**
C		**CASH FLOW FROM FINANCIAL ACTIVITIES:**				
		Add:				
	1	Receipt from issue of Equity Shares inclusive of share premium	-		-	
	2	Proceeds from borrowings (Non Current)	(412.58)		979.46	
	3	Proceeds from borrowings Net of repayment (Current)	735.14		4,110.47	
	4	Increase in Restricted Bank Balances other than cash & cash equivalents	(14.53)		33.83	
				308.03		**5,123.76**
		Less:				
	1	Interest and other finance costs	(1,058.02)		(450.85)	
	2	Payment of Equity Dividend	(249.40)		(124.70)	
				(1,307.42)		**(575.55)**
		Net Cash inflow from Financing Activities (C)		**(999.39)**		**4,548.21**
I.		**Net (decrease)/increase in cash and cash equivalents**		**(67.25)**		**(166.59)**
II.		**Add: Cash and cash equivalents at the beginning of the period**		**225.45**		**392.06**
III.		**Cash and cash equivalents at the end of the period**		**158.20**		**225.45**

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

Rahul Gautam Divan
Partner
Membership No. 100733

L. N. Goculdas
Chairman
DIN: 00459347

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

S. V. Joshi
Independent Director
DIN: 00392020

D. T. Gokhale
Executive Director
DIN: 06734397

O. C. Mhamunkar
Company Secretary

Place: Mumbai
Date: May 17, 2023

Consolidated Statement of Changes in Equity

For the year ended March 31, 2023

A. EQUITY SHARE CAPITAL

Particulars	No. of Shares	₹ lakhs
Balance as at March 31, 2022	**2,49,39,933**	**2,493.99**
Changes in equity share capital during FY 2022-23	-	-
Balance as at March 31, 2023	**2,49,39,933**	**2,493.99**

B. OTHER EQUITY

(₹ in lakhs)

Particulars	Reserves and Surplus						Total
	Securities Premium Reserve	Capital Redemption Reserve	Other Reserves	Retained Earnings	Foreign Currency Translation Reserves	Other items of Other Comprehensive Income	
Balance at March 31, 2022	**1,714.81**	**280.00**	**66.59**	**14,702.54**	**8.15**	**96.36**	**16,868.45**
Transfer to Capital Redemption Reserve	-	-	-	-	-	-	-
Profit for the year	-	-	-	693.05	-	-	693.05
Translation Reserve of Subsidiary			-		(0.76)	-	(0.76)
Other Comprehensive Income	-	-	-	-	-	20.12	20.12
Total Comprehensive Income (Net of Tax)	1,714.81	280.00	66.59	15,395.59	7.39	116.48	17,580.86
Equity Dividend Paid (Including Dividend Distribution Tax)	-	-	-	(249.40)	-	-	(249.40)
Balance at March 31, 2023	**1,714.81**	**280.00**	**66.59**	**15,146.19**	**7.39**	**116.48**	**17,331.46**

(₹ in lakhs)

Particulars	Reserves and Surplus						Total
	Securities Premium Reserve	Capital Redemption Reserve	Other Reserves	Retained Earnings	Foreign Currency Translation Reserves	Other items of Other Comprehensive Income	
Balance at March 31, 2021	**1,714.81**	**-**	**66.59**	**12,973.24**	**7.13**	**62.75**	**14,824.52**
Transfer to Capital Redemption Reserve		280.00	-	(280.00)	-	-	-
Profit for the year	-	-	-	2,134.00	-	-	2,134.00
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	14,827.24	8.15	96.36	16,993.15
Equity Dividend Paid (Including Dividend Distribution Tax)	-	-	-	(124.70)	-	-	(124.70)
Balance at March 31, 2022	**1,714.81**	**280.00**	**66.59**	**14,702.54**	**8.15**	**96.36**	**16,868.45**

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

Rahul Gautam Divan
Partner
Membership No. 100733

L. N. Goculdas
Chairman
DIN: 00459347

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

S. V. Joshi
Independent Director
DIN: 00392020

D. T. Gokhale
Executive Director
DIN: 06734397

O. C. Mhamunkar
Company Secretary

Place: Mumbai
Date: May 17, 2023

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

1. CORPORATE INFORMATION

The Consolidated financial statement comprises of financial statement of **DMCC Speciality Chemicals Limited** (Formerly known as The Dharamsi Morarji Chemical Company Ltd) and its subsidiary (collectively, the Group) for the year ended March 31, 2023. DMCC Speciality Chemicals 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.

DMCC (Europe) GmbH (formerly known as Borax Morarji (Europe) GmbH), Germany is engaged in the business of selling Commodity Chemicals and Speciality Chemicals.

Information on related party relationships of the Company is provided in Note 41.

The financial statements are authorised for issue in accordance with a resolution of the Board of Directors on May 17, 2023.

2. SIGNIFICANT ACCOUTNING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notifi ed 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 (₹) and all values are rounded to the nearest lakhs (₹'00,000), except otherwise indicated.

2.2 Basis of Consolidation

The consolidated financial statements comprises the financial statement of **DMCC Speciality Chemicals Limited** and its subsidiary as at March 31, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

ii) Exposure, or rights, to variable returns from its involvement with the investee, and

iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

i) The contractual arrangement with the other vote holders of the investee;

ii) Rights arising from other contractual arrangements;

iii) The Group's voting rights and potential voting rights;

iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an invest if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances if material, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of DMCC (Europe GmbH) (Formerly Borax Morarji (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 March 31, 2023. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

The unaudited financial statements as on March 31, 2023 of the Wholly Owned Subsidairy Company have been compiled by Chartered Accountancy firm based in Germany. The subsidairy Company being Joint Stock Company under German Law, there is no obligation for audit based on the size critria.

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) Recognies any surplus or deficit in profit or loss

(vi) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

d) Change in ownership interest:

The Group treats transaction with non-controlling interests that do not result in a loss of control as transaction with the equity owners of the Group. A change in ownership interest results in adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interest in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

2.4 Property, Plant and Equipment

a) Property, plant and equipment:

Property, Plant and equipment were carried in the balance sheet prepared in accordance with Indian GAAP on the basis of their historical cost less accumulated depreciation and impairment as on the date of transition i.e. April 01, 2016. The Group has elected to regard those written down values as deemed cost as at the date of the transition as per the option available to the Group, as fair value, while adopting Ind AS for the first time except for certain Land acquired by the Group upon merger of erstwhile Borax Morarji Limited has been stated at fair value as per the valuation report obtained by the Group.

Property, Plant and Equipment are stated at cost of acquisition or construction, including attributable interest and financial costs till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.

The expenditure incurred during the period of construction (including cost of trial runs, stores issued, expenses on labour allocated for such purpose) is debited to capital work-in-progress and on completion, the costs are allocated to the respective items of Property, Plant and Equipment. Interest on specific borrowings relating to acquisition of fixed assets is capitalised up to the date of commissioning.

Derecogntion:

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.

Derecogntion:

An item of intangible initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

2.5 Depreciation/Amortization

Depreciation on all items of Property, Plant and Equipment is provided for on Straight Line basis over the estimated useful life specified in schedule II to the Companies Act, 2013.

Depreciation on additions and deletions during the year is provided on pro-rata basis.

Cost of leasehold land is amortised over the period of lease.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.6 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.7 Non Current Assets held for Sale

Non current assets are classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carryibg 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 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 Group expects to be entitled in exchange for those goods.

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

Export benefits available under prevalent schemes are accounted to the extent considered receivable. These are presented as other operating income in the Statement of Profit & Loss.

Earning from sale of power generated from Wind Mills is accounted for on tariff rate agreed and as per Power Purchase agreement with respective Electricity Board.

Royalty and service income are recognized on an accrual basis in accordance with the terms of the relevant contractual agreement.

Interest income is recognised on an accrual basis.

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Dividend income on investment is recognized in the Statement of Profit and Loss Account on the date on which the Group's right to receive is established.

The Group earns revenue primarily from sale of products.

2.14 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.

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 judgment is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax could change if estimates of projected future taxable income or if tax regulations undergo a change.

Deferred income tax assets and liablities 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.

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 Subsidaries

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 intial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefits. Amortization expenses is recognized in the Statement of Profit and Loss. During the period of development, the asset is tested for impairment annually.

2.26 Cash dividend to equity Shareholders

The Group recognises a liability to make cash or distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.27 Dividend on Preference Shares

Dividend paid NIL for the year ended March 31, 2023 (Previous year ₹ 7.00 lakhs) are accounted for under finance charges.

NOTE 3:

(a) Property, Plant and Equipment

i) Tangible Assets

(₹ 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 April 01, 2022	282.59	1,852.73	2,477.88	14,785.92	100.67	169.66	74.66	109.27	19,853.37	
Additions	-	-	2,498.37	4,730.84	17.35	17.23	6.57	8.15	7,278.51	
Disposals	-	-	-	(178.24)	-	(17.08)	-	-	(195.32)	
As at March 31, 2023	**282.59**	**1,852.73**	**4,976.25**	**19,338.52**	**118.02**	**169.81**	**81.24**	**117.42**	**26,936.56**	**-**
Accumulated Depreciation										
As at April 01, 2022	**-**	**168.16**	**420.60**	**3,128.43**	**44.30**	**82.86**	**45.64**	**75.75**	**3,965.74**	
Depreciation charge for the year	-	20.82	303.80	1,352.80	9.68	19.26	7.00	13.51	1,726.88	
Disposals	-	-	-	(175.68)	-	(12.28)	-	-	(187.96)	
As at March 31, 2023	**-**	**188.99**	**724.40**	**4,305.54**	**53.98**	**89.84**	**52.65**	**89.26**	**5,504.65**	**-**
Net book value										
As at April 01, 2022	**282.59**	**1,684.57**	**2,057.27**	**11,609.49**	**56.37**	**86.80**	**29.02**	**33.52**	**15,839.62**	**6,282.47**
As at March 31, 2023	**282.59**	**1,663.74**	**4,251.85**	**15,032.97**	**64.04**	**79.97**	**28.59**	**28.16**	**21,431.91**	**1,133.41**

ii) Intangible Assets

(₹ in lakhs)

Particulars	Software	Goodwill	Total	Intangible Assets under Development
Gross carrying amount				
Deemed cost as at April 01, 2022	153.09	1,465.10	1,618.19	
Additions	9.84	-	9.84	
Disposals	-	-	-	
Exchange differences	-	-	-	
As at March 31, 2023	**162.93**	**1,465.10**	**1,628.03**	**-**
Accumulated Depreciation				
As at April 01, 2022	**86.80**	**-**	**86.80**	**-**
Depreciation charge for the year	21.93	-	21.93	

(₹ in lakhs)

Particulars	Software	Goodwill	Total	Intangible Assets under Development
Disposals	-	-	-	
As at March 31, 2023	**108.73**	**-**	**108.73**	**-**
Net book value				
As at April 01, 2022	**66.30**	**1,465.10**	**1,531.40**	
As at March 31, 2023	**54.20**	**1,465.10**	**1,519.30**	**-**

NOTE 3: (b) Capital Work in Progress

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Carrying Value as at April 01	6,282.47	3,804.66
Addition/Adjustment	2,932.20	3,674.34
Transfer to property, plant and equipments	8,081.27	1,196.52
Closing Carrying value as at March 31	1,133.41	6,282.47

Aging Schedule

As on March 31, 2023

(₹ in lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	661.65	471.76	-	-	1,133.41

As on March 31, 2022

(₹ in lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	3,302.36	2,979.34	0.77	-	6,282.47

NOTE 4: NON CURRENT INVESTMENTS

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of shares	₹ in lakhs	No of shares	₹ in lakhs
Investments in Equity Instruments				
Unquoted equity instruments				
Fully Paid Equity Shares of ₹ 10/- each in Janakalyan Sahakari Bank Limited	369250	36.92	369250	36.92
Fully Paid Equity Shares of ₹ 10/- each in Saraswat Co-operative Bank Limited	1000	0.10	1000	0.10
Fully Paid Equity Shares of ₹ 25/- each in Shamrao Vitthal Co-operative Bank Limited	25	0.01	25	0.01
Fully Paid Equity Shares of ₹ 50/- each in Dombivali Nagari Sahakari Bank Ltd	3000	1.50	3000	1.50
Fully Paid Equity Shares of ₹ 10/- each in Indian Potash Limited	56500	0.47	66000	0.55
Aggregate amount of unquoted Investments		**39.00**		**39.08**

NOTE 5: OTHER NON CURRENT ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured,Considered Good		
Capital Advances	403.15	83.48
Security Deposits	295.46	293.20
	698.61	**376.68**

NOTE 6: DEFERRED TAX ASSETS (NET)

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Assets	2,451.97	2,453.10
Deferred Tax Liabilities	(928.38)	(748.46)
	1,523.59	**1,704.64**

(₹ in lakhs)

Particulars	As on April 01, 2022	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As on March 31, 2023
Deferred tax liability in releation to:				
Property, Plant and Equipment	(748.46)	(179.92)	-	(928.38)
Total Deferred Tax Liabilities	**(748.46)**	**(179.92)**	**-**	**(928.38)**
Deferred tax asset in relation to:				
Provision for Leave encashment	19.85	(2.90)	-	16.95
Provision for Gratuity	44.47	1.77	-	46.24
MAT Credit entitlement	2,388.78	-	-	2,388.78
Total Deferred Tax Assets	**2,453.10**	**(1.13)**	**-**	**2,451.97**
Net Deferred Tax	**1,704.64**	**(181.05)**	**-**	**1,523.59**

(₹ in lakhs)

Particulars	As on April 01, 2021	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As on March 31, 2022
Deferred tax liability in releation to:				
Property, plant and Equipment	(207.90)	(540.56)	-	(748.46)
Total Deferred Tax Liabilities	**(207.90)**	**(540.56)**	**-**	**(748.46)**
Deferred tax asset in relation to:				
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)**	**-**	**1,704.64**

NOTE 7: INVENTORIES (BASIS OF VALUATION - REFER NOTE 2.9) (AS TAKEN, VALUED AND CERTIFIED BY THE MANAGEMENT)

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Materials	1,099.42	1,108.10
Raw Material in Transit	71.94	241.69
Packing Materials	115.38	118.49
Work-in-Process	1,199.62	313.23
Finished Goods	1,736.91	1,431.82
Traded Goods	-	-
Stores and Spares	1,060.63	985.69
	5,283.90	**4,199.02**

Note: Inventories of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat amounting to ₹ 5,283.90 lakhs (Previous Year - ₹ 4,199.02 lakhs) are offered as security by of hypothecation of Raw Materials, Finished Goods, Working in process, Packing Materials, Stores, Book Debts and Receivable for working capital facitlity provided by Banks.

NOTE 8: TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables outstanding		
Considered Good - Secured	-	-
Considered Good - Unsecured		
Receivable from Related Parties	28.41	6.35
Others	5,187.56	4,971.47
Considered Doubtful	-	-
	5,215.97	**4,977.82**
Less: Provision for doubtful debts	-	-
	5,215.97	**4,977.82**

Receivables of ₹ 5,215.97 lakhs (Previous Year ₹ 4,977.82 lakhs) pertaining to Roha Unit in the State of Maharashtra and Dahej Unit in the State of Gujarat are hypothecated as security for working capital facility provided by the Bank.

Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality.

Generally, the Company supplies as per the order received from its customers. The average Credit period on sale is 30-90 days.

Trade receivables ageing schedule for the year ended as on March 31, 2023 and March 31, 2022

Particulars	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at March 31, 2023						
Undisputed Trade Receivable - Considered Good	5,100.85	31.19	7.46	22.90	53.57	5,215.97
Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable - credit impaired	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-

Particulars	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable - credit impaired	-	-	-	-	-	-
Total	**5,100.85**	**31.19**	**7.46**	**22.90**	**53.57**	**5,215.97**
Less: Expected Credit Loss (ECL)	-	-	-	-	-	-
Total Trade Receivable	**5,100.85**	**31.19**	**7.46**	**22.90**	**53.57**	**5,215.97**
As at March 31, 2022	**-**	**-**	**-**	**-**	**-**	
Undisputed Trade Receivable - Considered Good	4,940.42	1.70	17.59	4.58	13.54	4,977.82
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	**4,940.42**	**1.70**	**17.59**	**4.58**	**13.54**	**4,977.82**
Less: Expected Credit Loss (ECL)	-	-	-	-	-	-
Total Trade Receivable	**4,940.42**	**1.70**	**17.59**	**4.58**	**13.54**	**4,977.82**

NOTE 9: CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Bank Balances in Current Accounts	156.42	223.66
Cash on hand	1.78	1.79
	158.20	**225.45**

NOTE 10: BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid Dividend Account	49.46	41.23
Margin Money Deposit Account	35.85	29.55
	85.31	**70.78**

Margin money deposit has been given to various Banks for issuance of Bank Guarantee’s.

NOTE 11: OTHERS CURRENT FINANCIAL ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed Deposit with banks more than 12 months	176.77	69.21
	176.77	**69.21**

NOTE 12: CURRENT TAX ASSETS (NET)

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax (Net of Provision for Taxation)	138.59	2.58
	138.59	**2.58**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Accounting Profit before Income tax	1,050.20	3,416.96
At India's statutory income tax rate of 29.12% for FY 2022-23 & 29.12% for FY 2021-22	305.82	995.02
Adjustments in respect of current income tax w.r.t. MAT tax rate and Normal tax rate	(117.91)	(105.02)
Current tax	187.91	890.00
At the effective income tax rate	17.89%	26.05%

The Company falls under the MAT during the year, hence the provisions of MAT u/s 115 JB are applicable for the year ended March 31, 2023 (Normal Tax during Previous Year as at March 31, 2022).

NOTE 13: OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Government Authorities	1,603.31	1,956.52
Pre-paid Expense	241.93	166.70
Advances to Supplier	93.23	114.31
Others advances	9.27	12.30
Others*	721.78	774.96
	2,669.52	**3,024.79**

*Others include ₹ 500.00 lakhs receivable in respect of sale of Land at Ambernath in earlier years by erstwhile Borax Morarji Limited 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 and includes ₹ 156.48 lakhs paid as Pre-deposit Demand of Differential Duty by CESTAT for the Appeal against the Order of Commissioner (Appeals), Mumbai of Customs.).

The Appeal is pending at CESTAT, Mumbai, and will come up for hearing in due course of time. (Refer Note 32).

NOTE 14: EQUITY SHARE CAPITAL

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of shares	₹ in lakhs	No of shares	₹ in lakhs
Authorized Share Capaital				
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

(₹ in lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	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	-	-	-	-
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

Sr. No.	Particulars	As at March 31, 2023			As at March 31, 2022		
		No of Shares	% of Total Shares	% change during the year	No of Shares	% of Total Shares	% change during the year
1.	Shri Laxmikumar Narottam Goculdas	90,18,420	36.16%	0.00%	90,18,420	36.16%	0.00%

NOTE 15: OTHER EQUITY

(₹ in lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
(i)	Security Premium Reserves	1,714.81	1,714.81
(ii)	Capital Redemption Reserve	280.00	280.00
(iii)	Other Reserves	66.59	66.59
(iv)	Retained Earnings	15,146.19	14,702.54
(v)	Foreign Currency Translation Reserves	7.39	8.15
(vi)	Other Comprehensive Income	**116.48**	**96.36**
		17,331.46	**16,868.45**

(i) Security Premium Reserve

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
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 Share Premium(HO)	**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 March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	280.00	-
Add: Transfer during the year	-	280.00
Balance at the end of the year	**280.00**	**280.00**

(iii) Other Reserve

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
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 March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	14,702.54	12,973.24
Less: Transfer to Capital Redemption Reserve	-	(280.00)
Add: Profit for the year	693.05	2,134.00
Less: Equity Dividend Paid	(249.40)	(124.70)
Balance at the end of the year	**15,146.19**	**14,702.54**

Retained earnings are used from time to time to transfer profits from retained earnings for appropriation purposes. The amount that can be distribuated by the Company as dividend to its equity shareholders is determined as per the provision of the Comapnies act and the dividend distribution policy of the Company.

(v) Foreign Currency Translation Reserves

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	8.15	7.13
Add: Transfer during the year	(0.76)	1.02
Balance at the end of the year	**7.39**	**8.15**

(vi) Other Comprehensive Income

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	96.36	62.75
OCI for the year	20.12	33.61
Balance at the end of the year	**116.48**	**96.36**

OCI represents the cumulative gains and losses arising on the revaluation of financial assets and liabilites measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

NOTE 16: LONG TERM BORROWINGS

Term Loan

(₹ in lakhs)

Particulars		As at March 31, 2023		As at March 31, 2022	
(a)	**Secured**				
	From Bank & Financial Institutions				
	(i) Car Loan from Financial Institutions	3.34		-	
	(ii) Project Loan from Bank	5,805.80		5,212.42	
			5,809.14		**5,212.42**
(b)	**Unsecured**				
	From Other Parties				
	Fixed Deposits	948.50		813.00	
	Accrued Interest on Fixed Deposits	2.92		-	
			951.42		**813.00**
	Total Long Term Borrowings		**6,760.56**		**6,025.42**

(a) (i) Car Loan from a bank/Financial Institotions:

Loans against vehicles are for a period of three to five years and repayable by way of equated monthly installment, Interest rate ranges from 9.50% to 0%. Secured against hypothecation of Vehicles.

Out of total outstanding Car loan as on March 31, 2023 of ₹ 6.29 lakhs (Previous Year: ₹ 6.22 lakhs), amount due in next twelve months is ₹ 2.95 lakhs (Previous Year: ₹ 6.22 lakhs), which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21 (1)(ii)).

The balance Car Loan of ₹ 3.34 lakhs (Previous Year: ₹ Nil) is shown above as Car loan from Bank/Non-Banking Financial Institution.

(a) (ii) Project Loan from bank:

i) Sanctioned Term Loan: ₹ 580.00 lakhs. Current Outstanding as on March 31, 2023 is Nil (previous year ₹ 139.66 lakhs}. Repayable in 57 EMI's commencing from 27.07.2018. Rate of interest is 10.25%. All the 57 EMI's have been paid in time, up to March 31, 2023.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

ii) Sanctioned Term Loan: ₹ 700.00 lakhs. Current Outstanding as on March 31, 2023 is ₹ 483.15 lakhs (Previous Year ₹ 605.99 lakhs). Repayable in 60 EMI's commencing from June 2021. Rate of interest is 10.25%.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

iii) Sanctioned Term Loan: ₹ 1,500.00 lakhs. Current Outstanding as on March 31, 2023 is ₹ 675.00 lakhs (Previous Year ₹ 975.00 lakhs). Repayable in 60 EMI's commencing from July 15, 2020. Rate of interest is 10.25%.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Dahej.

iv) Sanctioned Term Loan: ₹ 1,875.00 lakhs. Current Outstanding as on March 31, 2023 is ₹ 1,667.73 lakhs (previous Year ₹ 1,764.23 lakhs).

Repayable in 60 EMI's commencing from April 30, 2022. Rate of interest is 9.85%.

Secured against mortgage of land and building of the Company, both present and future, situated at Dahej.

v) Sanctioned Term Loan: ₹ 600.00 lakhs. Current Outstanding as on March 31, 2023 is ₹ 621.12 lakhs (Previous Year ₹ 370.00 lakhs).

Repayable in 60 EMI's commencing from April 30, 2022. Rate of interest is 9.85%.

Secured against mortgage of land and building of the Company, both present and future, situated at Dahej.

vi) Sanctioned Term Loan: ₹ 2,625.00 lakhs. Current Outstanding as on March 31, 2023 is ₹ 2,373.31 lakhs (Previous Year ₹ 2,113.64 lakhs). Repayable in 60 EMI's commencing from May 31, 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.

vii) Sanctioned Term Loan: ₹ 790.00 lakhs. Current Outstanding as on March 31, 2023 is ₹ 398.04 lakhs. (Previous Year Nil), Repayable in 60 EMI's commencing from September 10, 2023. Rate of interest is 9.85%.

Secured against mortgage of land and building of the Company, both present and future, situated at Roha.

Out of total outstanding term loan as on March 31, 2023 of ₹ 7,778.24 lakhs (PY: ₹ 5,968.52 lakhs), amount due in next twelve months is ₹ 1,969.10 lakhs. (PY: ₹ 1,231.10 lakhs), which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21 (1)(iii)). The balance TermLoan of ₹ 5,809.14 lakhs (PY: ₹ 4,737.42 lakhs) is shown in above term loan for Project.

(a) (iii) Mortgage Term Loan from Bank:

Sanctioned Term Loan: ₹ 1,100.00 lakhs. Current Outstanding as on March 31, 2023 is NIL (Previous year ₹ 265.24 lakhs). Repayable in 57 EMI's commencing from July 27, 2018, Rate of interest is 10.25%. All the 57 EMI's have been paid in time, up to March 31, 2023.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

****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 March 31, 2023 of Nil (PY: ₹ 3.62 lakhs), amount due in next twelve months is Nil (Previous year ₹ 3.62 lakhs which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21 (1)(vi)). All the installment paid in time upto March 31, 2023.

NOTE 17: LONG TERM PROVISIONS

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits		
Provision for Gratuity	121.48	122.01
Provision for Leave benefit	63.28	61.71
	184.76	**183.72**

NOTE 18: OTHER NON-CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Security Deposits from distributors and others	26.51	26.51
(ii) Security Deposits received against Royalty	31.36	30.50
	57.87	**57.01**

NOTE 19: SHORT TERM BORROWINGS

(₹ in lakhs)

Particulars		As at March 31, 2023		As at March 31, 2022	
(a)	**Secured**				
	From Banks				
	Cash Credit Facilities	481.97		198.48	
	Working Capital Demand Loan	328.87		454.86	
	Export Packing Credit	546.29		1,116.37	
			1,357.13		**1,769.71**
			1,357.13		**1,769.71**

Bank has sanctioned Working Capital facility against hypothecation of all Current Assets, present and future. Inventories and Receivables of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat are offered as security and Mortgage of Office Premises of the Company situated at Mumbai.

NOTE 20: TRADE PAYABLES

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Outstanding due to Micro and Small Enterprise	78.71	98.08
(ii) Trade Payable other than Micro and Small Enterprise	3,635.87	4,087.88
(iii) Bills Payable	4,499.38	2,832.05
	8,213.96	**7,018.01**

20.1 Payment towards trade is made as per the terms and condition of the contract/purchase order. Average Credit period is 30-90 days.

20.2 Information as required to be furnished under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2023 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 persuant to MSMED Act is as under:

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal amount due and remaining unpaid	78.71	98.08
(ii) Interest due on above and the unpaid interest	2.34	1.14
(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	2.34	1.14
(vii) Amount of further interest remaining due and payable in succeding years for the purpose of disallowance under Section 23 of the MSMED Act	-	-

Trade Payables ageing schedule for the year ended as on March 31, 2023 and March 31, 2022:

(₹ in lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2023					
MSME	78.71	-	-	-	78.71
Others	3,444.61	191.26	-	-	3,635.87
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
As at March 31, 2022					
MSME	98.08	-	-	-	98.08
Others	4,076.97	10.91	-	-	4,087.88
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-

NOTE 21: OTHER FINANCIAL LIABILITIES

(₹ in lakhs)

	Particulars	As at March 31, 2023		As at March 31, 2022	
1	**Current maturities of long-term debt**				
	(i) Current maturities of Long Term Debts (Car Loan)	2.95		6.22	
	(ii) Current maturities of Long Term Debts (Project Loan)	1,829.06		1,231.10	
	(iii) Current maturities of Mortgage Loan	137.08		265.24	
	(iv) Current maturities of Interest free Sales Tax Loan from MEDA	-		3.62	
		1,969.10		**1,506.18**	
2	**Unpaid Dividend (Amount Transferable to Investor Education & Protection Fund when due)**	**49.27**		**41.05**	
3	**Unpaid Matured Fixed Deposits (Unclaimed)**	**0.11**		**0.21**	
			2,018.49		**1,547.45**
4	**Others Payable**				
	(a) Trade Deposit	77.53		78.53	
	(b) Advance received from customers	127.92		46.25	
	(c) Others	1,077.37		1,805.21	
			1,282.81		**1,929.98**
			3,301.30		**3,477.43**

* During the year Company has repaid the Current maturities of Working Capital Term Loan and Property Loan.

NOTE 22: OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	56.80	179.33
Due to Employees	280.39	253.83
	337.19	**433.16**

NOTE 23: PROVISIONS (CURRENT)

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits		
Provision for Gratuity	21.07	7.42
Provision for Leave benefits	10.95	6.45
	32.02	**13.87**

NOTE 24: REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
Revenue from Contracts with Customers				
Sale of Chemical Products		38,161.43		32,420.38
Other Operating Revenues				
- Royalty	64.11		67.55	

(₹ in lakhs)

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
	- Export Incentives	219.11	109.72
	- Wind Mills	28.96	32.37
		312.18	**209.64**
		38,473.61	**32,630.02**
	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	38,161.43	32,420.38
	Traded sales	-	-
		38,161.43	**32,420.38**
	Geographical		
	India	25,751.81	23,466.01
	Outside India	12,409.62	8,954.37
		38,161.43	**32,420.38**
	Timing of Revenue Recognition		
	Goods transferred at a point in time	**38,161.43**	**32,420.38**
2.	**Contract Balances**		
	The following table provides information about receivables, contract assets and contract liabilities from contracts with customers		
	Trade Receivables	5,201.58	4,975.69
	Contract Liabilities		
	Advances from Customers	127.92	46.25
3.	**Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**		
	Revenue as per contracted price	38,981.09	33,207.06
	Adjustments		
	Significant financing component		
	Sales return	322.05	132.19
	Rebate	-	-
	Discount	497.60	654.49
	Revenue from contract with customers	**38,161.43**	**32,420.38**
4.	**The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31, 2022**		
	Advances from customers	**127.92**	**46.25**

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 25: OTHER INCOME

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Income	13.33	26.53
Dividend Income	2.03	1.72
Profit on Sale of Fixed Assets	20.89	28.44

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit on Sales of Investment	98.67	0.98
Other non -operating income	318.21	443.48
Sundry Credit Balances Written Back	32.01	104.18
	485.14	**605.33**

NOTE 26: COST OF MATERIAL CONSUMED

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of Raw Materials	25,875.54	20,004.50
Consumption of packing materials	92.98	238.13
	25,968.52	**20,242.63**

NOTE 27: PURCHASE OF STOCK IN TRADE

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Purchased of Goods Traded	-	-
	-	-

NOTE 28: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROCESS AND TRADE GOODS (AS CERTIFIED BY THE MANAGEMENT)

(₹ in lakhs)

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
Inventory at the beginning 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**
Inventory at the end of the year				
Work in Process	1,199.62		313.23	
Finished Goods	1,721.96		1,431.72	
Traded Goods	-		-	
		2,921.58		**1,744.95**
		(1,176.63)		**(505.66)**

NOTE 29: EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and Wages (Net after Repairs)(*)	1,914.57	1,628.99
Contribution to Provident Fund	116.94	105.91
Contribution to Other Funds (Gratuity, Superannuation, etc)	83.77	69.25
Staff Welfare Expenses	272.03	239.47
	2,387.31	**2,043.62**
(*) Salaries & Wages allocated to Repairs etc.	60.98	68.05

NOTE 30: FINANCE COST

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Finance Cost		
Interest Paid to Banks	628.29	196.98
Interest paid to Others	389.71	178.35
Interest paid on Lease	3.03	3.93
Dividend on Preference Shares	-	7.00
Bank Charges	36.99	64.59
Total	**1,058.02**	**450.85**

NOTE 31: OTHER EXPENSES

(₹ in lakhs)

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
Power, Fuel and Water		1,694.90		1,536.80
Repairs to buildings		67.34		85.22
Repairs to machinery		1,719.43		1,241.70
Research & Development Expesnes		125.91		166.86
Insurance		174.70		131.37
Rates and taxes		21.51		61.04
Director fees and Commission to Non Whole Time Directors		52.80		42.30
Internal handling, Freight and carriage outward		1,911.73		1,811.70
Net loss/(gain) on foreign currency transactions		313.53		66.40
Auditors' Remuneration				
Audit fees	12.75		9.00	
For other services	9.85		4.50	
Reimbursement of out of pocket expenses	0.43		0.39	
		23.03		**13.89**
Sundry Balances Written Back		11.80		24.60
Written Down Value Assets Scrapped/Loss on Sale of Fixed Assets/Investments		0.23		0.34
Expenditure on Corporate Social Responsibility initiatives		65.22		73.09
Miscellaneous expenses *		1,719.30		1,528.40
		7,901.43		**6,783.71**

*None of the item individually accounts for more than ₹ 10,00,000/- or 1% of revenue whichever is higher.

NOTE 32: CONTINGENT LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
A Contingent Liabilities		
(i) Outstanding claims in respect of Excise Duty, etc.	1554.60	1554.60
(ii) Guarantees issued by banks	33.34	33.34
(iii) Claims against Group not acknowledged as debts	34.77	34.77

The Group has reviewed all its pending litigations & proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable. The Group does not expect the outcome of these proceedings to materially adverse effect.

The Group has received Differential Duty demand of ₹ 14.33 Crores (on Import of crude/un-refined Sulphur during the period 2004-2005 to 2008-2009, provisionally assessed then), at concessional rate of Basic Customs Duty in term of Entry at Sr. No. 60 of Notification No. 21/2002- Cus dated March 01, 2002 which granted concessional rate of basic customs duty on the import of “Crude or unrefined Sulphur” falling under Chapter Sub-heading No. 2503 00 of Customs Tariff). The Group has now filed Appeal before CESTAT being Appeal No. C/89904/2018 – DB dated January 02, 2019 (against the Order dated February 07, 2018 of the Commissioner (Appeals), Mumbai) and deposited an amount of ₹ 1.43 Crores (being the 10% of the alleged demand of differential duty of ₹ 14.33 Crores), as a condition precedent for the Appeal before the CESTAT. The Appeal is pending at CESTAT, Mumbai, and will come up for hearing in course of time. Based on the legal advice the Group is confident to successfully succeed in the appeal.

The Group had imported Rock Phosphate (for the manufacture of Fertilizer viz. Single Super phosphate) 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 January 01, 2006 on the alleged ground that the Group had allegedly failed to submit the relevant documents which could prove that the imported Rock Phosphate was used for the manufacturing of "fertilizer". The Group has now filed Appeal before CESTAT being Appeal No. C/89910/2018 – DB dated January 02, 2019 (against the Order dated February 07, 2018 of the Commissioner (Appeals),Mumbai.)and deposited an amount of ₹ 12.16 lakhs being the 10% of the alleged demand of ₹ 1.21 Crores. The Appeal is pending at CESTAT, Mumbai and will come up for hearing in course of time. Based on the legal advice the Group is confident to successfully succeed in the appeal.

NOTE 33: COMMITMENTS

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Estimated Amount of Contracts remaining to be executed on Capital Account & not provided for (Net of Advances)	666.57	459.96

NOTE 34: LEASES

The Group as leasee, has long term lease contract for one of its Office premises Lease of Office generally has lease terms of 4 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group 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 March 31, 2022	35.79
Additions	-
Depreciation Expenses	11.93
Termination	-
As at March 31, 2023	**23.86**

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 March 31, 2022	38.56
Additions	-
Accretion of Interest	3.03
Payments	14.85
Termination	-
As at March 31, 2023	**26.74**

The following are the amounts recognised in profit or loss:

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation expense of right-of-use assets	11.93	11.93
Interest expense on lease liabilities	3.03	3.93
Expense relating to short-term leases and low value leases (included in other expenses)	22.38	27.86
Total amount recognised in profit or loss	**37.34**	**43.72**

The Group had total cash outflows for leases of ₹ 37.34 lakhs in March 31, 2023 (₹ 43.72 lakhs in March 31, 2022). There are no noncash additions to right-of-use assets and lease liabilities.

NOTE 35: There is only one reportable segment i.e chemicals business of the Group.

NOTE 36: 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 ₹ 65.22 lakhs (Previous year ₹ 73.09 lakhs) towards several CSR activities.

Corporate Social Responsibility expenditure is as follows:

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Amount required to be spent by the company during the year	63.80	72.00
Amount of expenditure incurred	65.22	73.09
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 37: EARNING PER SHARE

EPS amount are calculated by dividing the profit for the year attributed to Equity holders of the parents by weighted average number of Equity shares outstanding during the year:

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit attributable to Equity share holder of the Group	693.06	2,134.00
Weighted Average Number of Equity Shares	2,49,39,933	2,49,39,933
Earning per Equity Shares (Basic & Diluted)	2.78	8.56

NOTE 38: 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

(₹ in lakhs)

Particulars	Currency	(₹ in lakhs)	As at March 31, 2023	Currency	(₹ in lakhs)	As at March 31, 2022
Trade Receivables	USD	27,55,276	2265.30	USD	14,14,401	1072.26
	EURO	4,90,912	439.89	EURO	6,45,793	546.73
			2705.20			**1618.99**
Hedged Position	USD	-	-		-	-
			2705.20			**1618.99**
Trade Payable	USD	37,638	(30.94)	USD	3,17,800	(240.92)
Net Exposure to Currency Risk			**2674.25**			**1378.06**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EUR against all other currencies at March 31 would have affected the measurement of financial exposure denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. 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 March 31, 2023		As at March 31, 2022	
	Profit or Loss		Profit or Loss	
	Strengthening	Weakening	Strengthening	Weakening
USD 1% Movement	22.34	(22.34)	8.31	(8.31)
EURO 1% Movement	4.40	(4.40)	5.47	(5.47)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in rupees of fixed rates of interest. The Group has exposure to interest rate risk, arising principally on changes in base lending rate.

In order to optimize the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

(i) The exposure of borrowings to interest rate changes at the end of reporting period are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed rate borrowings	9,135.37	8,484.69
Interest Swap	-	404.90
Net Exposure after Swap	**9,135.37**	**8,079.79**

(₹ in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Weighted average interest rate (%)	Balance	% of total loans	Weighted average interest rate (%)	Balance	% of total loans
Term Loans	9.30%	7,778.24	85.14%	7.54%	6,233.76	73.47%
Loans repayable on demand *	8.78%	1,357.13	14.86%	5.72%	2,250.93	26.53%
Net exposure to cash flow interest rate risk		**9,135.37**			**8,484.69**	

*Loans repayable on demand include Car Loan and PCFC loan.

(ii) Sensitivity

Profit/loss is not sensitive to higher/lower interest expense from borrowings as the interest rates are fixed.

B. Capital management

For the purpose of Group's Capital Management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's Capital Management is to maximize 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 39: OTHER ADDITIONAL INFORMATION

(i) Value of raw materials and boughtouts, stores, spares and components consumed

Particulars	For the year ended March 31, 2023		For the year Ended March 31, 2022	
	₹ in lakhs	%	₹ in lakhs	%
Raw Materials and Boughtouts:				
Imported	1,867.54	7.19	1,495.49	7.41
Indigenous	24,100.97	92.81	18,747.14	92.59
	25,968.52	**100.00**	**20,242.63**	**100.00**

(₹ in lakhs)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i)	**Stores, Spares and Components:**		
	Indigenous	1,592.17	764.41
(ii)	**Value of imports Calculated on CIF Basis:**		
	Raw Materials & Boughtouts	1,645.96	1,484.23
(iii)	**Expenditure in Foreign Currency on Account of:**		
	Foreign Tours, Subscription, Depot & Exhibition Expenses Etc.	114.24	100.65
(iv)	**Earnings in Foreign Currency in Respect of:**		
	Export Of Goods Calculated On FOB Basis	11,522.78	8,186.10

NOTE 40: SEGMENT REPORTING

a) Primary Business Segment:

The Group is engaged in manufacture of Chemicals. As the Group is engaged only in one business segment.

b) Secondary Geographical Segment:

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sales Turnover:		
i) In India	25,751.81	23,466.01
ii) Outside India	12,409.62	8,954.37
Total	**38,161.43**	**32,420.38**

NOTE 41: RELATED PARTIES DISCLOSURES

Sr. No.	Names of related parties	Nature of Relationship
(i)	Shri Laxmikumar Narrottam Goculdas	Promoter and Chairman (holding more than 20% of the voting power of the Company)
(ii)	The Natural Gas Co.Pvt.Limited	Enterprises under the Control of Promoter and Key Managerial persons
(iii)	L.P.Gas Equipment Pvt.Limited	Enterprises under the Control of Promoter and Key Managerial persons
(iv)	L.P.Gas Transport & Bottling Co. Pvt.Limited	Enterprises under the Control of Promoter and Key Managerial persons

Sr. No.	Names of related parties	Nature of Relationship
(v)	Phoenix Distributors Pvt.Limited	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.Limited	Enterprises under the Control of Promoter and Key Managerial persons
(viii)	Bombay Foods Pvt.Limited	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 Laxmikumar Goculdas	Daughter of Promoter and Chairman
(xi)	Shri Bimal Lalitsingh Goculdas	Key Management Person - Managing Director and Chief Executive Officer
(xii)	Shri Dilip Trimbak Gokhale	Key Management Person - Executive Director
(xiii)	Shri Chirag Shah upto February 10, 2023	Key Management Person - Chief Finance Officer
(xiv)	Shri Omkar Mhamunkar	Key Management Person - Company Secretary

(₹ in lakhs)

Particulars			For the year ended March 31, 2023	For the year ended March 31, 2022
A	**Transaction with Promoters holding more than 20% of the voting power**			
	Sitting Fees for attending Board and Committee meetings - Shri Laxmikumar Narrottam Goculdas		2.50	2.25
	Commission paid to Promoter- Shri Laxmikumar Narottam Goculdas		12.33	10.81
B	Sitting Fees for attending Board Meeting to Mitika Laxmikumar Goculdas		2.50	2.25
	Commission paid to Promoter- Mitika Laxmikumar Goculdas		4.93	3.60
C	**Transactions with Related Parties**			
	(i)	**Sale of Goods/Services Rendered by the Company**		
		Falcon Chemicals LLC, Dubai	-	-
		DMCC (Europe) GmbH (Formarly Borax Morarji (Europe) GmBH)	40.98	14.80
	(ii)	Closing balance of Falcon Chemical LLC, Dubai included in Current Assets of the Company	-	-
		Closing balance of DMCC (Europe) GmbH (Formarly Borax Morarji (Europe) GmBH) included in Current Assets of the Company	28.40	6.35
D	**Transactions relating to Key Management Personnel**			
	(i)	**Remuneration**		
		Shri Bimal Lalitsingh Goculdas	151.85	143.43
		Shri Dilip Trimbak Gokhale	48.75	41.19
		Shri Chirag Shah (upto February 10, 2023)	33.07	35.66
		Shri Omkar Mhamunkar	15.28	13.13
			248.94	**233.42**
	(ii)	**Perqisities and Other Benefits**		
		Shri Bimal Lalitsingh Goculdas	34.57	34.61
		Shri Dilip Trimbak Gokhale	0.57	0.95
		Shri Chirag Shah (upto February 10, 2023)	0.27	0.32
		Shri Omkar Mhamunkar	0.78	0.50
			35.41	**35.87**
			284.35	**269.29**

Related party relationships are as identified by the Group and relied upon by the Auditors.

NOTE 42: EMPLOYEE BENEFITS:

The Group has made provision for following benefit plans as per Accounting Standard 15 (Revised 2005) " Employee Benefits". Defined Benefit Plans/Long Term Compensated Absences: As per Actuarial Valuation as on March 31, 2023, the required data is as follows:

I. Continuing Employees:

(₹ in lakhs)

	Particulars	Apr 22/Mar 23 Gratuity	Apr 22/Mar 23 Leave Encashment	Apr 21/Mar 22 Gratuity	Apr 21/Mar 22 Leave Encashment
A	**Expense recognised in the statement of Profit & Loss Account for period ended March 31, 2023**				
	1. Current Service Cost	20.02	5.49	18.34	6.21
	2. Interest Cost	17.77	2.5	15.56	2.4
	3. Past Service Cost (vested benfits)	0.00	0.00	0.00	0.00
	4. Expected Return on plan assets	0.00	0.00	0.00	0.00
	5. Actuarial (Gain)/Losses	17.64	4.87	33.84	0.00
	6. Total Expenses	55.43	12.86	67.74	8.61
B	**Net Assets/(Liability) recognised in the Balance Sheet as at March 31, 2023**				
	1. Present value of Defined Benefit Obligation as at March 31, 2023	270.85	43.73	239.94	36.32
	2. Fair Value of plan assets as at March 31, 2023	13.97	0.00	14.61	0
	3. Funded Status [(Surplus/(Defecit)]	(256.88)	(43.73)	(225.33)	(36.32)
	4. Net asset/(Liability) as at March 31, 2023	(256.88)	(43.73)	(225.33)	(36.32)
C	**Change in Obligation during the period ended March 31, 2023**				
	1. Present value of Defined Benefit Obligation at the beginning of the year	239.94	36.32	222.14	34.86
	2. Current Service Cost	20.02	5.49	18.34	6.21
	3. Interest Cost	17.77	2.50	15.56	2.4
	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	0.00	0.00
	7. Actuarial (Gain)/Losses	17.64	4.87	33.84	(1.34)
	8. Benefits Payments	(24.52)	(5.44)	(49.94)	(5.81)
	9. Present value of Defined Benefit Obligation at the end of the year	270.85	43.74	239.94	36.32
D	**Change in Assets During the period ended March 31, 2023**				
	1. Plan assets at the beginning of the year	14.61	0.00	14.61	0.00
	2. Settlements	0.00	0.00	0.00	0.00
	3. Expected return on plan assets	1.85	0.00	2.62	0.00
	4. Contributions by employers	0.00	0.00	0.00	0.00
	5. Actual benefits paid	0.00	0.00	0.00	0.00
	6. Actuarial {Gain/(Losses)}	(2.50)	0.00	(2.62)	0.00
	7. Plan assets at the end of the year	13.96	0.00	14.61	0.00
E	**Actuarial Assumptions**				
	1. Discount Rate	0.07	0.07	0.08	0.08
	2. Mortality Rate	IALM2012-14	IALM2012-14	IALM2008	IALM2008

NOTE 43: 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.

(v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Group holds all the title deeds of immovable property in its name.

(ix) The Group is not declared as wilful defaulter by any bank or financial Institution or other lender.

(x) The Group is required to file any quarterly returns/statements with the bank.

(xi) There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 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 44:

Figures in respect of the previous year have been regrouped/rearranged wherever necessary.

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 liabilites		Share in profit or loss		Share in other Comprehensive Income		Share in Total Comprehensive Income	
						As % of Consolidated Net Assets	Amount (₹ in lakhs)	As % of Consolidated Profit or Loss	Amount (₹ in lakhs)	As % of Consolidated Other Comprehencive Income	Amount (₹ in lakhs)	As % of Consolidated total Comprehencive Income	Amount (₹ in lakhs)
i)	DMCC SPECILITY CHEMICALS LTD (formerly known as The Dharamsi Morarji Chemical Company Limited)	India	Parent Company		March 31, 2023	99.82%	19,789.93	98.93%	685.67	104%	20.12	99.07%	705.79
					March 31, 2022	99.85%	19,333.54	100.11%	2,136.34	100%	33.62	100.11%	2,169.96
ii)	Foreign Subsidiaries having No minority interest	Germany	Wholly Owned Subidiary	100%									
	DMCC (Eruope) GmbH (formerly known as Borax Morarji Europe GmbH)				March 31, 2023	0.18%	35.52	1.07%	7.39	(0.04)	(0.77)	0.93%	6.62
					March 31, 2022	0.15%	28.89	-0.11%	(2.34)	0%	-	0.00%	(2.34)
					Total								
					March 31, 2023	100%	19,825.45	100%	693.06	100%	19.35	100%	712.41
					Total								
					March 31, 2022	100%	19,362.43	100%	2,134.00	100%	33.62	100%	2,167.62

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

Rahul Gautam Divan
Partner
Membership No. 100733

L. N. Goculdas
Chairman
DIN: 00459347

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

S. V. Joshi
Independent Director
DIN: 00392020

D. T. Gokhale
Executive Director
DIN: 06734397

O. C. Mhamunkar
Company Secretary

Place: Mumbai
Date: May 17, 2023

DMCC
SMARTER CHEMISTRY

DMCC Speciality Chemicals Limited

Formerly known as The Dharamsi Morarji Chemical Company Limited

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

CIN : L24110MH1919PLC000564

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