

The Dharamsi Morarji Chemical Company Limited
CHAIRMAN'S SPEECH
98th ANNUAL GENERAL MEETING
20th September, 2019

Good Morning,

Ladies & Gentlemen,

It gives me great pleasure to welcome all of you to the 98th Annual General Meeting of the Company. The Company's Accounts for the Financial Year ended 31st March, 2019, along with the Directors' and Auditor's Reports have already been circulated to you. I seek your permission to take them as read.

You must have already received interim dividend of 5% per equity share of Rs.10/- each. In addition, Board of Directors have recommended a Special Centenary year (1919-2019) dividend of 10% per equity share.

I am also pleased to announce that in response to the wishes of the Shareholders, the Company will organize Shareholders plant visit at Roha during January, 2020. Shareholders are requested to give their names and contact details to the Company Staff.

HISTORICAL REVIEW

Your Company was set up by the Morarji family at the turn of the century, which was one of the premier industrial families in the country then. Inspired by the Swadeshi spirit, the members of Morarji family conceived an idea of founding a fertilizer/chemical complex, entirely Indian in composition and management.

Shri R.M. Goculdas took over as the Chairman of the Company in the year 1978 and since then he led the Company through good times and bad times.

I put on record the commitment, financial support and financial sacrifices of Late Shri R.M. Goculdas which were instrumental in survival of the Company.

As the Company celebrates the 100th anniversary of its inception, I happily recall the spirit of my predecessors and the stalwarts who had moulded the destiny of Your Company and I now look forward to a bright future of the Company.

ECONOMIC SCENARIO

In order to give a boost to the economic growth to make India a USD 5 Trillion economy, the Government has been addressing the issues through its policies and structural initiatives to achieve sustainable future growth and has taken steps like Make in India, digital India, creation of infrastructure, Re- Capitalisation of Banks, Monetary policy intervention, Insolvency and Bankruptcy Code etc.

These reforms are expected to set in motion India's economic growth forward by creating a single National Market, enhancing the efficiency of inter-state movement of goods and services and bringing in a large part of the informal sectors of economy within the formal set up of the economy.

With various sectors of the Indian and Global Economy under stress, Your company will also face the trickle down effect. In a Global Economy, no Country or Company can thrive in isolation. We hope the scenario of international trade wars and Protectionism will give way to positive cooperation, thus leading to growth again.

OVERVIEW OF OPERATIONS

The total turnover of your Company during last five months i.e. April to August, 2019 is Rs. 86.11 Crores. With greater synergy and operations at the existing locations at Roha and Dahej, your Company is evolving business strategies to achieve the increased rate of growth.

Your Company is in the process of finalizing the project to set up a Sulphuric Acid Plant to partly meet the captive requirements of power/steam and ensure availability of sulphonating agents which are the key raw materials for the efficient manufacture of existing and new Specialty Chemicals.

The long-term objective is to create an integrated site at Dahej with dedicated plants for high volume products coupled with multipurpose plants for low volume high value Specialty Chemicals. The Dahej unit is eventually contemplated to be Roha model of integrated chemical plants.

We will review all projects in light of the overall economic scenario.

ENVIRONMENT HEALTH AND SAFETY (EHS)

The Management of your Company is committed to comply with all applicable Environmental laws and regulations, covering the entire supply chain from sourcing of raw material to the manufacture and distribution of our products.

All the employees and workmen at the factory are regularly trained through various external EHS programs as well as In-house programs on operational safety, occupational health and environment protection.

Your Company continues to enjoy the Authorisation to use the Responsible Care® logo. In addition, your company is actively involved in other similar initiatives like Green Technology, Together For Sustainability® etc.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has commenced spending on CSR Projects by granting financial support to a High School at Roha where Your Company's unit is located. Your Company has also supported Medical and Environmental initiatives around Roha factory. Your Company has supported the Corbett Foundation, which is engaged in conservation of wildlife and nature, as also providing Medical and Social services to the villagers in the vicinity of major national parks of India.

In addition, as a part of Socio- Economic Initiative, Your Company is providing training/apprenticeship for Chemistry Graduates of Nagaland and supporting a hostel for Students of North- East States.

EXPORT AWARDS

The Shareholders will be pleased to note that Your Company has been selected for the award of " certificate of merit " instituted by Basic Chemicals , Cosmetics & Dyes Export Promotion Council (CHEMEXCIL), an organization set up by the Ministry of Commerce and Industry , Government of India, for outstanding performance for the year 2017-18.

ACKNOWLEDGEMENTS

Before I conclude, I would like to express my sincere gratitude towards the Company's Shareholders, Directors, Customers, Suppliers, Contractors, Various Departments of Central and State Governments and Banks for their continued valuable support to the Company. The relations between the employees and the Management continue to be cordial. I would also like to place on record, the appreciation for the sincere and devoted efforts of the employees at all levels for their continued co-operation, team spirit, and commitment. Last but not the least, I am thankful to you for your continued confidence and support to the Management of the Company.

Thanking you,

NOW THE MANAGING DIRECTOR, SHRI BIMAL GOCULDAS WILL GIVE A PRESENTATION ON THE COMPANY'S PERFORMANCE.

L.N. GOCULDAS

Chairman

20th September, 2019