

**The Dharamsi Morarji Chemical Company Limited**  
**PROCEEDINGS OF THE 99<sup>th</sup> ANNUAL GENERAL MEEETING**

**14<sup>th</sup> September, 2020**

**MONDAY, 11.30a.m.**

**Shri D.T. Gokhale commenced the Meeting .**

“Good Morning,

Dear Shareholders, I welcome you all on behalf of your company to its 99th Annual General meeting which is being held today through video conferencing / other Audio Visual Means, as permitted by MCA & SEBI Circulars. Before we proceed, I would like to highlight certain points as under:

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

The Company has availed the facility of web casting of this AGM through Link In time India Private Limited, the Company’s RTA.

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

The meeting has opened 15 minutes prior to its scheduled time and will remain so open for 30 minutes after the meeting is over.

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

As mentioned in the notice, the facility of participation at the AGM through video conferencing or other audio/visual means has been made available.

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

We had given an opportunity to the shareholders to register themselves as Speakers and ask any questions till Friday, the 11<sup>th</sup> September 2020, by sending email at [dgokhale@dmcc.com](mailto:dgokhale@dmcc.com).

We have thus received requests from 15 (no. of shareholders) and accordingly plan to give them an opportunity to speak. The names of such shareholders will be called during the course of the Meeting.

The facility to inspect the documents by the Members is also available during the Meeting, on logging on to the website of the Link Intime viz., [www.linkintime.co.in](http://www.linkintime.co.in).

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

The remote e-voting commenced on Friday, 11<sup>th</sup> September 2020 at 9.00 am and closed on Sunday, the 13<sup>th</sup> September 2020 at 5.00 p. m.

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

The e-voting platform is open now for voting and will close after 30 minutes from the time of closure of this meeting.

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

The Scrutinizer will scrutinize the voting results and submit the report within 48 hours. The results of the voting will be announced by posting it on the company's website and sending it to the stock exchange.

Since the AGM is being held for the first time in this format, following will be the flow of the Meeting:-

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

The Company has made all efforts feasible under the current circumstances to enable the members to participate at the meeting through the video conferencing facility and vote electronically.

With the consent of the members present:

The Notice of AGM dated 6<sup>th</sup> August 2020, convening the meeting and the Statutory Auditors Report both have been previously circulated to the members and hence may please be taken as read.

Let me now welcome:

Shri Laxmikumar N.Goculdas, Chairman  
Ms. Mitika L. Goculdas, Vice Chairperson  
Shri Bimal L. Goculdas, Managing Director and CEO.  
Shri H.T.Kapadia, Director  
Shri M.T.Ankleshwaria, Director  
Shri A.W.Ketkar, Director  
Shri Mukul M. Taly, Director  
Shri Sanjeev V. Joshi, Director

Shri Chirag Shah, CFO.

Shri. Rahul Diwan Statutory Auditor,  
Shri. Satish Jain, Secretarial Auditor and Scrutinizer of the e-voting process are also present.

May I now request Shri L.N.Goculdas, Chairman to deliver his speech?

**Shri L.N.Goculdas (Chairman)**

“Good Morning,

Ladies and Gentleman,

It gives me great pleasure to welcome all of you to the 99<sup>th</sup> Annual General Meeting of the Company. To begin with, I hope every one of you and your family is well and healthy. The Company’s Accounts for the Financial Year ended 31<sup>st</sup> March, 2020, along with the Directors’ and Auditor’s Reports have already been circulated to you. I seek your permission to take them as read.

The reasons for non- declaration of dividend for the Financial Year ended 31<sup>st</sup> March, 2020 have already been elaborated in the Directors’ Report for the year 2019-20.

However, I am happy to inform you that the Board of Directors of Your Company have at the Board meeting held little while ago, declared interim dividend of 5% per equity share of Rs.10/- each. On compliance of necessary formalities, the shareholders can expect to receive the said interim dividend in the month of October, 2020.

Your Company on 19<sup>th</sup> September, 2019 completed its 100 years of successful existence. This has been possible due to Your Company’s vision of sustainable growth and long term viability.

### **Economic Scenario and Operations of Your Company**

There is an overall Economic slow-down across the world, caused by the wide spread disruptions due to the Covid-19 Pandemic. Serious pressures are experienced in the world economy because of the phenomenon of rising nationalism, protection of policies and declining confidence in the global multilateral institutions.

The Indian Economy also is/was and will be under economic slowdown caused by the Covid-19 Pandemic and the resultant lock downs announced by the Government of India and the respective State Governments. However, since some of the products manufactured by the Company are/were considered as essential

and being under “continuous process category”, Your Company could continue the operations, though on a moderate scale. Today, Your Company’s Plants both at Roha and Dahej are operational with preventive and control guidelines of Covid-19, with required sanitary and hygiene protection facilities. The Staff at other locations of the Company are observing work from home. As an enlightened and progressive Management, Your Company has not done any salary /wage cuts during this period. The Management of Your company remains committed to supporting its entire team in these uncertain times.

The Government of India, as it should be, is optimistic about the economic revival through its popular measures like “ATMANIRBHAR BHARAT” and other supportive initiatives. The Economic activities are expected to recover with early signs of recovery in November/December, 2020 and are expected back to normal growth by June, 2021.

The Management Your Company also expects to pass through this difficult phase through its resilience to operational flexibility, balanced and robust business model and continual emphasis on its in house R & D for improving the process efficiency of existing products and development of new products.

#### Acknowledgements

As elaborated in the Directors’ report, the period of appointment of Shri Haridas Tricumdas Kapadia and Shri Arvind Wasudeo Ketkar, both Independent Directors will come to an end on 16<sup>th</sup> September, 2020.

Shri Kapadia has been associated with the company & its erstwhile associate company viz. Borax Morarji Ltd (BML) for a period of Fifty-Five years.

During his long & illustrious career, he held very senior management positions in the Company including as Joint Managing Director of Your company & as Managing Director of BML.

During his long & successful tenure with the company, he was actively involved in growth, expansion & diversification of both the Fertilizer & Chemical business of the company

The Management puts on record their recognition & appreciation for a very long & successful inning of Shri Kapadia with your company. Shri Kapadia as an independent Director, has also served on the committees of the Board, including as the Chairman of the Audit committee.

I wish Shri Kapadia a very healthy, long & active life & wish him all the best in his future endeavours.

Shri Arvind Ketkar has been associated with the company for over a period of ten years. During his tenure as a director of the company, the management of your

Company received his wise counsel & advice. I wish Shri Ketkar a very healthy, long & active life & wish him all the best in his future endeavours.

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 all the employees at all levels and their continued co-operation, team spirit and commitment. Last but not the least, I am thankful to you all for your continued confidence and support to the management of the Company.

Thank You."

**Shri D.T. Gokhale (Company Secretary)**

Thank You Chairman

We will now open the channel for those shareholders who have registered as Speakers.

Each Speaker is requested to be brief.

We will now announce the name of the Speaker one by one.

**Host** -First Speaker is Mr. Ashpi

Mr. Ashpi- Can you see me? Chairman, Directors and Shareholders. What is the moderator doing when Chairman was speaking, there was vibration going on please ensure that there are no vibrations when Chairman give reply in the end it is very irritating to listen to Chairman's Speech this way.

Sir, I Congratulate the management for very good receivables reduction from Rs. 30 Crores to Rs. 24 Crores. When you intent to become debt free why you give Rs. 0.50 paisa interim dividend. Rs. 0.50 paisa is worthless in now-a-days. **(Voice not clear from 15.07-15.40)**

Sir, promoter shareholding is only 53%, so what are your plans about that also and Sir how is China affecting us, either by way of raw materials or by way of finished products, if you can elaborate on that. And please ensure that when you reply there is no disturbance. Thank you Sir.

**Host**- Thank you Mr. Ashpi. The next speaker for the event is Mr. Bimal Kumar Agarwal. Mr. Bimal you can ask your question.

Bimal: Can you hear me? Good Morning. First of all I will thank the Company Secretary and his team and I will also thank Link Intime for sending me the details

of the meeting. And I have nothing else to say in this time of Pandemic. Thank you very much.

**Host:** Thank you Sir. The next speaker for the event is Mr. Santosh Kumar Shroff. Mr. Santosh you can ask your question.

Santosh: Namaskar, Respected Chairman and my fellow Shareholders. My name is Santosh Kumar from Kolkata. Due to COVID we are able to meet via video. I have written down few questions. I request chairman to give answers to those as he deems fit. I.e. while continuance of meeting or after the meeting. I want to say few points.

While we register for Registration, at least provide us with some acknowledgement. That we have received your mail and we have registered you. Because till the morning I was unsure whether I have been registered or not for the meeting. If we are informed in advance we can also prepare ourselves with the same.

The Annual Report sent to us is in two page pdf. I request you to send it in single page pdf. Since the font of words is small it is not possible to read them properly.

Please also look in the matter of Dispute Case which is mentioned on pg. 69 of Annual Report which is on-going since 2002-03.

Rest questions I have forwarded to the Company. I wish for everyone's good health. Hope everyone is fit and fine. One more request to the Chairman is, today for AGM you have provided facility of Video-conferencing; likewise in future whenever you arrange physical meeting please provide for Video-conferencing for Members for at least 10-15 minutes for who live in different states and are unable to present physically. And it will be appreciated if you are able to give written reply to all my queries. Namaskar! Jai hind!

**Host-** Thank you Mr. Santosh. The next speaker for the event is Mr. Rajendra Prasad Joshi.

Rajendra Prasad: Respected Chairman Shri. Laxmikumar Goculdas and other dignitaries present in the meeting, a very very Good Morning to all of you. At the outset I am very much thankful to our Company Secretary Shri. Dilip Gokhale and Mr. Anil for their all-time co-operation and support to us. I received the soft copy of Annual Report well in time. Both Shri. Gokhale and Anil are hardworking and loyal to their duties. Whenever we contact them for help they are ready to help. My Congratulations to other management also for successful 100+ year's performance especially in sulphur industry by presence in more than 25 companies. Our management did all the efforts for the growth of our company and we are very much confident that our company will grow from time to time

I would like to know two three things:

1. What is Foreign Exchange earnings in the Company from Chemical business?
2. With Governments efforts and more and more reforms in agriculture sector how is company fertilizer mineral is benefited and what company is taking to take advantage of this.
3. What is policy of Company as regards to research and development and expenditure? How much you are expending in and what is the policy for the same.

With this I wish all the best to the company and wish for the success of the company and also I strongly support all resolutions. Thank you very much

**Host:** Thank you Sir. Our next speaker for the event is Ms. Lekha Shah.

Lekha Shah: Respected Chairman, Board of Directors, all my fellow mandates; Good morning to all of you, myself Lekha Shah, I am very much thankful to our Company Secretary Mr. Gokhale Ji and his team for extending very good investor services and also sending me Annual Report by email well in time which is full of knowledge, facts and figures in place. Due to Pandemic COVID-19 we all are facing crisis and have to stay home. Thank you Chairman Sir for telling us about the Company. Congratulations to all for excellent work. This is first AGM we are told to join through video-conferencing for giving speech before one week and today also our Company Secretary Mr. Dilip Gokhale Ji and his team called us and gave guidance and proper introduction for attending through video conference. I am very very grateful to our Company Secretary Mr. Dilip Gokhale Ji. I have been shareholder of this company for many years causing business, all sorts of ups and downs It give me immense joy and happiness to see my company has managed to achieve today which is great success and with the guidance of our Chairman Mr. Laxmikumar Gokuldas Ji.

Firstly, I will like to congratulate our company on its anniversary. Page no 24 describes our company wear beings beautifully with assurance of many more anniversary. Many more success stories and many more achievements may continue with good work. Our Company's planning and journeying from hardship has also been shared very nicely on page no. 3. I am happy to see that our company's objective is to endure communities by extending our responsibility to the extent where we greatly touch lives. It is extremely embrace that company believes in growth of business and profit of the societal development. Contribution made to orphanage schools, primary schools, old age homes, extra Truly sure that our CSR activities revolve around education, women empowerment, animal protection, empowering and providing services. I would like to ask few questions:

1. How is the Company preparing itself in a post COVID world
2. What are the queries from the lockdown and how is the company implementing with those queries

3. How are we engaging our employees
4. What is roadmap for the next two years

I wish our company Good luck for a bright future and I support all the resolutions. Thank you Sir.

**Host:** Thank you Madam. Our next speaker for the event is Prakshani Ganesh Shenoy Madam.

Prakshani: I am Mrs Prakshani Ganesh Shenoy form Bombay. Respected honourable chairman other dignitaries of the Board and my fellow shareholders, Good morning to all of you. I received the soft copy of Annual Report through email well in time which is colourful, transparent, and informative and contains all the information as per the Corporate Governance. I thank the Company secretary Mr. Dilip Gokhale Ji and his team for the same. It is because of him only I am able to speak in the meeting. I once again thank Mr. Gokhale Ji. This is the first time that our Company is conducting video- conferencing meeting due to COVID-19. I am extremely happy that the Company has done excellent work in the field of CSR activities such as Women empowerment etc. I am glad that the board has recommended dividend for the financial year 2019-20. Since this is the 99<sup>th</sup> Annual General Meeting of the Company; the company has faced many challenges during this 99 years and has come to a stage, excellent Sir. Next year our company shall complete 100 years, what are your plans for the same? What will be done for the Shareholders?

We are living in days where everything is unpredictable in lives including our existence. In such circumstances running a company like ours in not a small thing. I appreciate. Sir I have few questions.

1. How much is the Capex expense for the next year?
2. Are we planning to have new R & D or expand the existing R & D; if yes what shall be the approximate expenditure involved?
3. Who are our competitors?
4. What is the effect of COVID-19 on our company and what are its challenges?

I wish the company good luck for the bright future and pray God that the profit of the Company shall reach a peak in due course. Sir, I support all the resolutions put forth in today's meeting. Thank you Sir.

**Host:** Thank you Madam. Our next speaker for the event is Mr. Ganesh Shenoy.

Ganesh Shenoy -Good Morning, my name is Ganesh Shenoy. I got only two three questions:

1. At how many locations do we have plant and whether all of them our working due to this pandemic situation?
2. Where our R & D is located? How many people are working in R & D, research scientist? Thank you Sir, Thank you very much.

**Host:** Thank you Sir. Our next speaker for the event is Mr. Rajat Shethia.

Rajat Shethia: My first question is about that of the financial impact of the upcoming plant shutdown in Quarter-3. The reason I am asking is over the last 3 shutdowns impact has been pretty different and we have improved into a great thing so what is the impact we are going to see around the company?

Second we have announced Capex of Ground twenty \_\_\_\_\_ speciality chemical, dedicated speciality chemical plant for contract manufacturing arrangement. So my first question in this category is:

1. Is it for just one client that we are going to manufacture or is it for multiple client that we are doing contract manufacturing and
2. The product that we are going to make under this Capex, is it going to be one or is it going to be more than one product? Is it existing in our product line already or are you making this new product for us.
3. Other question related to this is expected commissioning of the plant and what kind of patterns do we expect from this plant. In terms of margin can we expect that this plant will give margins in line of what is our strategy in the recent past i.e. we only held products that gave 30% in past.

My next set of questions are:

1. On the export side if we are seeing any kind of slowdown now. We understand that after lockdown in first four five months we were not very strong in export market; However, the projectile of how is the situation currently, this is a short term kind of thing I am asking but the reason for that is initially we saw everyone in India \_\_\_\_\_ about exports. However reports are on the very positive market in particular. So would like to know about the experience and then the addressable opportunity in the phone and cell phone market, from the product that we make and on Boron side another question is we were facing some sort of issues on the technical of Boron so how is situation there and have been able to turn around the Boron business. In the cell phone side in the last (voice not clear)

**Host:** Thank you Sir. The next speaker for the event is Mr. Dinesh Kotecha.

The speaker is Mr. Satish Shah. (There was no response)

The next speaker for the event is Mr. Hardik Indramal Jain. (There was no response)

The next speaker for the event is Mrs. Uma Udeshi mam.

Ms. Uma Udeshi: At the outset the Chairman speech was little bit difficult to understand (Voice not clear from 35.36-37.02)

Respective Chairman, Mr. Dilip Gokhale he has made us possible to join us on virtually, so this is the first meeting which is being held virtually. Sir I will like to know that you are giving 5% dividend that is very big sign. "Something is better than nothing." We would like to know how much amount are you spending of Research and Development and how much amount have you spent for CSR activities. Because now a days in pandemic many of the companies are not able to perform well. So we would like to know due to pandemic how much loss we have suffered and we would like to know you were planning for a factory visit before pandemic but that was cancelled. So you arrange again factory visit, because we would like to see your factory and we are very old shareholders who are still holding shares in physical form. We appreciate that your company is doing exceedingly well and after Pharma sector chemical sector is the best sector. And in chemical there is stiff competition from China. Whether we are facing any competition from China? China is dumping chemicals at very subsidise and low rate. So we would like to know, our MD Mr. Bimal Goculdas you are doing exceedingly well and you always show us graphs and everything and used to exhibit and do analyses. So we are missing him and we really appreciate. Sir we would like to know where is your daughter because your daughter was also one of the Directors of the Board but we are not able to see her. Whether she is in Mumbai or she is Dubai that we would like to know. Sir we support all your resolutions and we wish our company all the best. And we wish Mr. Anil Kumar and Mr. Gokhale all the very best.

Ms.Uma Purdevi: I just have a few questions:

1. Which product of ours come under essential services?
2. To whom do we supply?
3. I heard some of our products come under essential services, so are our plants running to full capacity now? I would like to know
4. Do we get export orders now?
5. Is their demand for our products? Are we able to meet the demands of our customers?

6. And as someone mentioned are we importing from China or are we exporting to China or do we have anything connected to China as government is against us having business with China. But sometimes it is essential also.

We really miss your plant visit. Last time we had gone and we got complete idea of your plant, till now we remember and you were again conducting it at end of March but Sir this lockdown disturbed our plans, disturbed our delight to visit your plant. Sir, we wish our Company all the best and we support all the resolutions and thank you to the team who continuously followed up with us and today morning we received the link and we could get across to you and speak of the platform. Thank you Sir. Looking forward to hear all your answers.

**Host:** Thank you Madam. The next speaker for the event is Mr. Usuff Rangwala.

I am very happy with our Company Secretary and his team for preparing a very excellent report. I am thankful to Company Secretary who is providing excellent services and I am also thankful to Link people they are doing very good services. All the link people are very helpful and I am thankful to the link people and staff for joining us in this COVID-19 situation. And I am also thankful to be on dividend list. I would like to know what the position of the factory is. How many people are working in the factory?

Previously at time of the Borax model, after the Annual General meeting why you did stopped giving orders for Borax Model? I would like to request

**Host:** The next speaker for the event is Mr. Rohit Balakrishnan.

Rohit Balakrishnan: Hope everybody at DMCC is safe and sound. Thank you for this opportunity. A few questions from my side most of them are already asked by fellow shareholders before but I will just add a few more.

1. When we used to have our physical AGM we used to give detail of how the ensuing months have been till July, August. So I just want to understand, the purpose is just to know how the recovery happening? How are our end markets doing, especially given the overall context of this pandemic?
2. The second question was it's after a long time you're doing Capex so just wanted to know the things that granule. So if we look at this chemical speciality Capex. Can you talk a bit about end markets and the opportunities for us and the acetones we can potentially achieve here and the margins? Also if you can just talk about process of getting the opportunity in terms of
3. The other question was also in context of Capex's the recent presentation you talked about. Do you have any running thoughts. What is it that you are thinking and what are the key factors that will make you sway in either way that will also make you qualitatively there.

4. In terms of Boron, what was the turnover in Boron in FY 2020? Is it what end markets in Boron Post Q-1?
5. Can you talk a bit about plant capital and I just wanted to confirm your zero registrars in Roha if I'm not wrong
6. In terms of your general commentary not in this year but in two three years out what do you think in terms of Board outlook for the next two to three years. That's it from my side. Thank you very much.

**Host:** Thank you Mr. Rohit. The next speaker for the event is Mr. Dinesh Kotecha.

Good Morning to all of you. First of all Chairman Sir, on the three days after today it is your Birthday. So Happy Birthday in advance to you. I was very happy to see the Report. Basically our 99<sup>th</sup> AGM for the 100<sup>th</sup> Century Year it all started in 1999 and the Balance sheet is a collector copy. So whenever you print the Balance sheet I would like to have a copy.

Secondly coming to the Balance sheet itself, 100 years of journey of learning and earnings from hardships, now the greatest hardship was the year 2019-20 before the pandemic. In spite of the pandemic, in spite of all the difficulties and problems that we are having. We have been able to maintain our operating margin as per last year in a plus in spite and despite of the problems of COVID difficulties we are been able to maintain gross profit margin. Though the revenue is down but it's ok because you must have lost nearly one month of Turnover of April and May. That is ok that you can catch up. But can us able to reach a turnover of 300 Crores this year. My simple question to you. Because in the third quarter again we are going to do schedule maintenance at Dahej. And how many days maintenance it will be in third quarter I will like to know. My few questions from Balance sheet is, is their high entry barrier to our products now. Discuss the sustainable competitive and mot if any. Any breakthrough for the new products or products derivatives, new customers, new geography added in the last two month basically since the halchal started the real movement started in last two months. Roha output status percentage appropriation utilisation, any price realisation upwards for sulphur products. How big is the canvas for product market and how are we able to riding our way to capture that market and in what time frame. China competition I would like to know how do you \_\_\_\_ china competition and the Capex of 2021-22and any incremental change expected from that incremental Capex. Other than that I wish you all the best. Because one of you or one of us shareholders were 100 years ago were under different management different leadership. But this management under Bimal Ji's leadership from last 14-15 year we are been able to recover all our losses great 85-86 are back on tract you have done lot of restructuring in the last two years. Borax has been merged and we are fighting with back against our walls and we are paying dividend for last two years. Even in current year today you declared 50paisa dividend last year also you declared 50paisa and Re.1 final

so we will expect final dividend of at least Re. 1 for the current year on 21 March ending dividend.

Wish you all the best and good health and all of you please be safe and we are always in support of your company. We propose and second all the resolutions. Thank you all and wish you all the best.

Host thanked the shareholders and request Mr. Dilip Gokhale to proceed with the next agenda item.

**Shri D.T. Gokhale (Company Secretary)**

May I now request The Managing Director and CEO Shri Bimal L Goculdas to respond to the queries?

**Shri Bimal L Goculdas (Managing Director and CEO)**

Thank you for telling all these questions I will do my best to answer.

Regarding the first question how to deal with debt, now as you are aware we are expanding and investing nearly over a 100crores over a next year, year and half. So it's unlikely that you will be debt free in fact we are taking more debt to the service requirement typically 2/3<sup>rd</sup> of the investment will be debt 1/3<sup>rd</sup> will be from internal source and that is also the reason why we haven't declared the higher dividend, you know the chairman and the board are accurately aware that the funds are required for internal reasons and for these investments but the belief is that by making this investment we will be increasing the shareholders' value, and while 50paise and 1rupee dividend will sort of disappear very fast. The Investment we are making will result hopefully for greater shareholder value long term which is far exceed any of the any short term benefit of dividend.

Several questions about China, it's a very relevant point, you see even the Government of India is looking at reducing imports and the fact is that the Indian chemical industry and the Indian pharma industry are highly dependent on China today. It is wishful thinking that we can say that suddenly we will stop buying from china. They are amongst the lowest cost producers of and highest volume producers of many products in the world, particularly in our industry and they have done this over a period of many many years of hard work of big investment and global scale capacity, they have also built infrastructure which is beyond our imagination. So while we want to replace China, my personal view is that it's going to be impossible in the near term and this require a very firm action which crosses political boundaries and its going to mean that we are going to invest as a country in roads, power plants, chemical complexes. You know we have to look every step we have to take step by step it's not that we can do nothing, it's not the time to take over the market but if we want to replace them there is no short term solution

as far as our company is concern DMCC is not largely dependent on any imports from China. We do export some of our products to China, what I must mention though is that many of our customers particularly in pharmaceutical industry are dependent largely on China, most of the EPIs come from china so while we are not directly impacted, indirectly we would be.

On the forex earning last year we had approximately 45 Crores or so of forex earnings and somebody mentioned about the agriculture business, you see we are not very dependent on agriculture anymore. So we make some fertilizers particularly the boron and rest of our income comes from agriculture segment is only brand and royalty on sale of fertilizers. So we have very limited exposure to that segment at this time.

Regarding research and development we continue to invest we are spending directly about 2-3crores year we will be expanding that. We also have about 25 people working not only in the laboratories but also in pilot farms and we are increasing the numbers as well as increasing our expenditure and most of our work is focused on process development. So for us it is important to a widen a scope of the products we do, we select a niche products we don't get into very large products in terms of global markets but whatever product we select we will be a significant player so that's been our policy. And so far it is well and regarding the size of these type of products particularly in sulphur chemistry, really its large game its very large canvas and we will do our best to expand and select the right products which give us the sustainable and reasonable margins.

Lots of questions on COVID as well, so most of the products we make go into a sector which are considered essential. So while we were shutdown for sometime in the month of March and April, in May June however we increased our outputs. We had some issues due to cyclone we lost our few days in July, we also had to work with restricted ways of manpower for example in Roha we have to work with 25% man power then 50% same thing in Dahej for some time. So all this has impacted our output. Now fortunately we have a good markets internationally as well as now domestically while the Indian market subdued in the first quarter. They are opened up now and all segments as I mentioned earlier that some segments like dyes and intermediates of dyes segments were slow to take off after the lockdown, but happy to report that those business are doing well, our customers are doing well, and demands remains strong for all of our products. Globally there is certainly threat of second wave and all this consequent lockdowns and if that happens we will face it as well but for the moment our order book is strong and we don't see any significant destruction in demand. There is you know real estate sectors and sectors like that gone down automobile sector as well so some of those business have been impacted and we have those effects but over all its been reasonably good the last couple of months.

So in terms of capex again and the products that we plan to do, this is not really a cramps products this is not a contract as a such, this is manufacturing of a existing product and a contract, so we would be setting up an additional facilities with one major customer brand and that is also give us the flexibility to supply to our customers. We are not at liberty to reveal the product or customer but in terms of revenue we expected to add about 20 crores a year once it's in a full swing. Now it is likely to happen after Dahej Sulphuric Acid expansion so that expansion we likely hope by end of June, the thing is that while we have our plan in place, the suppliers of equipments and the availability of contract labour for executing the project has been little bit difficult .So you will have to bear with us we are doing our best in fact we have one question was asked for execution of large significant project after many years in DMCC, that's very pertinent question in fact we created a dedicated project team which is not associated directly with the factory operations ,they are focusing on particularly on sulphuric acid project so we wanted to commission that on first quarter of the next year we keep you updated as things go and we already placed orders for all the equipments civil works is in progress and our target is still to have it on stream to next year.

So we have added people in that segment as well, we got a dedicated person who will stationed at Dahej and monitoring the project on site and who has experience in this product and will be also operating the plant once its ready. We are well aware that this is a significant size project that we are creating the resources to manage it.

I have mentioned this before for those who have missed it, we have 2 active plants at Roha and Dahej and our R&D is mostly based at Roha but while we expand our Dahej operations we will create a second facility there as well.

In terms of a cost impact of COVID its not been very significant, we had to take extra precautions at the site , social distancing things like that, the only real cost I would say is the loss of opportunities to service our customers and nothing very big we have created a facility in fact at Roha for emergency stay in case there is outbreak and our essential people need to stay within the premises we have made the arrangements for that so we had some expenditure on that for creating rooms , separate kitchen facilities, toilets things like that, otherwise not being an significant direct expenditure but loss of the opportunities is the most important.

We have seen some sort of export slowdown in certain sectors but on the whole we found that in the last few months it is picked up again. Luckily your company is quite well diversified so we are not focused on any one sector and some sectors have gone down others have gone up, with this we have reached out very well.

On the boron business, there are still issues we have expanded some products, we did about 50 crores turn over last year and we hope to do more than significantly of that this year and availability of technical grade boric acid still remains an issue

and we are facing that we are doing some of our own manufacturing and we still focusing more and more on downstream products. In this year we had significant growth in micro nutrient fertilizers compare to last year . We also doing a lot of sulphur business at Dahej now in terms of specialities and the sulphones while our plan for di-oxy sulphone investment is not yet taken place. We are watching the market and as soon as we have something to share we will. Meantime the other sulphones are doing reasonably well with good volumes and back to business as normal. We are focusing on some intermediates for pharmaceutical in the meantime and fortunately that's come up on that as well this is a part of the government has given lot of encouragement to the pharma sector about 7-8 thousand crores as term of production linked incentive and some of the pharma company our customer are expanding and we will get some expansion based on that as well we are working on that as well.

As far as plants most plants are running at full capacity and multipurpose plants we have some rooms to expand but this is the reason why we are making some investments for both at Roha & Dahej , we need to do some de-bottlenecking as mentioned in the presentation after the Q-1 results that we are doing these exercises at both plants and direct question was on whether we can reach 300 crores turnover this year that's unlikely but after commissioning of the sulphuric acid plant we believe it will be achieved.

In terms of the zero liquid discharge we invested to make Roha Z&D, one of the units is still to be commissioned by the supplier but the things are in place we hope to have no issues on that front at all, and we will be following similar model at Dahej where most of the efforts will be treated and recycled. And very little or none will be discharged into the stream and that's I think is the policy worth investing and it's something which we will have to keep in mind whenever we do our expansions.

The next 2-3years we are of course optimistic that's why we are putting a significant amount of money, significant amount of resources and after becoming a zero debt company we are again taking on debt, so we believe the market is out there, we believe we are well positioned to take advantage of some growth in some sectors therefore we have a positive outlook. As you know I don't like to give a forecast numbers but there will be a significant jump in revenue once we have our acid plant in operation. Not only from the acid business but also from the downstream products based on that as well.

That's all from my side I think, I will hand it back to **Shri D.T. Gokhale**

**Shri D.T. Gokhale (Company Secretary)**

Thank You Shri Bimal L. Goculdas.

We will now take the items of notice for your approval.

We have five resolutions for approval at this Annual General Meeting:

1. Approval and adoption of the audited financial statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2020, together with the Reports of the Board of Directors and the Auditors thereon.
2. Approval and adoption of the audited consolidated financial statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2020, together with the Report of the Auditors thereon.
3. Appointment of Shri Laxmikumar Narottam Goculdas, as a Director, who retires by rotation, and being eligible, offers himself for re-appointment.
4. Approval for continuation of directorship of Shri Laxmikumar Narottam Goculdas, who has crossed the age of seventy-five years.
5. Ratification of the remuneration payable to the Cost Auditor for the Financial Year ending 31<sup>st</sup> March, 2021.

Since this meeting is held through VC facility and resolutions are put to vote only through e-voting, the practice of proposing and seconding of resolutions has not been followed.

This brings us to the end of this meeting. Before I announce conclusion of this meeting, Members who have still not voted on resolutions are requested cast their votes on Link Intime e-voting system. The detailed process of voting is already mentioned in the AGM notice. Let me remind you that voting will close after 30 minutes from the time of closure of this meeting now.

With this, I thank you all for your attendance at this meeting and for your cooperation for conducting of this meeting.

The meeting stands closed, with a vote of thanks to the chair.

Thank You all please take care.