

48th
ANNUAL REPORT
2023-2024



Diamines And Chemicals Limited
CIN NO:L24110GJ1976PLC002905

STANDALONE FINANCIAL HIGHLIGHTS OF THE LAST DECADE

(₹ in Lakhs)

FINANCIAL YEAR ENDING	31.03.2014	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019	31.03.2020	31.03.2021	31.03.2022	31.03.2023	31.03.2024
TOTAL REVENUE (INCLUDING EXCISE DUTY)	4947.08	4338.38	3984.76	3882.38	4,001.11	4,828.11	7,138.46	6,536.95	6792.85	11330.69	10676.05
OPERATING PROFIT (LOSS)(PBITD)	620.22	514.09	482.18	940.97	1,203.24	1,989.61	3,731.61	2,770.48	2386.06	5851.43	2692.71
PROFIT (LOSS) BEFORE INCOME TAX	79.31	(29.75)	8.52	573.59	823.93	1781.91	3517.34	2548.39	2210.71	5666.28	2407.46
PROFIT (LOSS) AFTER INCOME TAX	75.04	(155.38)	25.33	479.81	708.90	1313.18	2398.58	2103.37	1672.35	4221.95	1777.13
GROSS PPE*	6535.36	6536.99	6532.37	2,739.18	2,802.00	3,036.54	3,291.61	3,808.79	5112.54	4192.83	6858.00
NET PPE*	3151.35	2929.99	2733.10	2544.58	2413.87	2444.90	2444.91	2246.56	3755.02	2688.79	5038.42
NET CURRENT ASSETS	235.96	387.80	304.52	1617.33	2011.26	2641.79	4523.11	5026.30	4746.96	5630.83	6868.50
EQUITY SHARE CAPITAL	978.32	978.32	978.32	978.32	978.32	978.32	978.32	978.32	978.32	978.32	978.40
RESERVES & SURPLUS (excluding revaluation reserve)	2236.96	2070.24	2103.10	2779.26	3282.66	3902.71	5539.65	7524.25	9045.92	12510.69	14099.24
BOOK VALUE (₹)	32.87	31.16	31.50	38.40	43.55	49.89	66.62	86.91	102.46	137.88	154.12
EARNING PER SHARE											
Basic (₹ in)	0.77	(1.59)	0.26	4.90	7.25	13.42	24.52	21.50	17.09	43.15	18.16
Diluted (₹ in)	0.77	(1.59)	0.26	4.90	7.25	13.42	24.52	21.50	17.09	43.12	18.16
EQUITY DIVIDEND (%)	-	-	-	15%	25%	50%	80%	50%	30%	60%	25%

* PPE i.e. Property, Plant and Equipment and Intangible Assets.

Notes:

- Figures are rupees in lakhs except book value and earning per share which are absolute rupee value per equity share and proposed dividend which is in percentage on equity share nominal value.
- Figures from the year ended 31st March,2017 onwards are as per Ind As

BOARD OF DIRECTORS

Mr. Amit Mehta	Executive Chairman
Mr. G. S. Venkatachalam	Executive Director (upto 06.02.2024)
Mr. Tanmay Godiawala	Director (From 06.02.2024)
Mr. Rajendra Chhabra	Professional Director
Mr. Dhruv Mehta	Independent Director
Dr. Ambrish Dalal	Independent Director
Mrs. Kejal Pandya	Independent Director

Chief Financial Officer

Mr. Dipen Ruparelia

Company Secretary

Ms. Hemaxi Pawar

Auditors

M/s K C Mehta & CO LLP, Chartered Accountants
Meghdhanush, Race Course, Vadodara – 390 007, India.

Bankers

State Bank of India, Vadodara ICICI Bank, Vadodara

Registered Office & Works

Plot No. 13, PCC Area, P. O. Petrochemicals, VADODARA - 391 350.

Tel : (91) (0265) - 3534200

Email : info@dacl.co.in Web Site : www.dacl.co.in

Registrar & Share Transfer Agent

M/s. Link Intime India Pvt. Ltd.

"Geetakunj" 1, Bhakti Nagar Society, Behind ABS Tower,
Old Padra Road, Vadodara – 390015, Gujarat, India.

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NOTICE

NOTICE is hereby given that the **48th (Forty-Eighth)** Annual General Meeting (AGM) of the members of M/s. Diamines and Chemicals Limited will be held at the Registered Office of the Company situated at Plot No. 13, PCC Area, P. O. Petrochemicals, Vadodara – 391 350 on **Tuesday, the 23rd Day of July, 2024** at 11.00 AM 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 on March 31, 2024 together with the Reports of the Board of Directors' and Auditors' thereon including the Audited Consolidated Financial Statement of the Company for the year ended on March 31, 2024.
2. To appoint a Director in place of Mr. Amit Mehta (DIN: 00073907) who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare Final Dividend of ₹ 2.50 per Ordinary (Equity) share of ₹ 10/- each for the financial year 2023-2024.

SPECIAL BUSINESS:

4. Ratification of Remuneration to Cost Auditor

To consider and, if thought fit, to pass the following resolution with or without modification, as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded for the payment of remuneration of ₹ 45000/- (Rupees Forty Five Thousand only) (Inclusive of all) plus applicable taxes, to M/s. Diwanji & Co., Cost & Management Accountants, Vadodara (Firm Registration No. 000339) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2024-25.”

5. Continuation of term of Mr. Amit Mehta (DIN: 00073907) as an Executive Chairman upon attaining age of Seventy Years

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

“RESOLVED THAT pursuant to provisions of section 196(3) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the Members of the Company be and is hereby accorded for continuation of term of Executive Chairman Mr. Amit Mehta (DIN: 00073907), who will attain the age of 70 (Seventy) years on June 15, 2024, and further all other terms and conditions shall remain same as approved by the Members in the Annual General Meeting held on June 21, 2023 and subsequent modification by Members as approved through Postal Ballot by passing Special Resolution on March 30, 2024.”

“RESOLVED FURTHER THAT save and except as aforesaid, the Special Resolution approved and passed by the Members in the Annual General Meeting dated June 21, 2023 with respect to the appointment of Mr. Amit Mehta, as Executive Chairman shall continue to remain in full force and effect.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee of Directors) be and is hereby authorised to vary and/or revise the remuneration of Mr. Amit Mehta as Executive Chairman within the overall limits under the Act subject to such other approval that may be necessary and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors to give effect to the aforesaid Resolution.”

“**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

6. Re-appointment of Mr. Dhruv Mehta (DIN: 02083226) as an Independent Non-Executive Director of the company

To consider, and if thought fit, to pass following Resolution with or without modification as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be in force from time to time, Mr. Dhruv Mehta (DIN: 02083226), Independent Non-Executive Director of the Company, whose present term of office as an Independent Director expires on December 02, 2024 has given his consent for the re-appointment and has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and the applicable Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years with effect from December 03, 2024 to December 02, 2029 and whose office shall not be liable to retire by rotation, as recommended by the Nomination and Remuneration Committee.”

“**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto.”

7. To approve payment of Remuneration of Mr. Rajendra Chhabra as Non- Executive Director in the category of Professional Director exceeding fifty per cent of the total Remuneration/Compensation/ fees payable to all the other Non-Executive of the Company for the Financial Year 2025-26

To Consider and, if thought fit, to pass the following Resolution, with or without modification, as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Regulation 17(6)(ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment, modification, variation or re-enactment thereof for the time being in force and other applicable provisions, if any, of the Companies Act, 2013 the consent of the members be and is hereby accorded for the remuneration/compensation/fees payable to Mr. Rajendra Chhabra as a Professional Director for the financial year 2025-26 (till tenure of his current term ended on November 05, 2026), which may be exceeding fifty per cent of the total remuneration paid to all other Non-Executive Directors of the Company for the said period.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters as may be deemed necessary and expedient in this regard.”

Place : Vadodara
Date : May 24, 2024
CIN NO: L24110GJ1976PLC002905
REGISTERED OFFICE:
Plot No.13, PCC Area,
P.O. Petrochemicals,
Vadodara –391 350

By Order of the Board

Hemaxi Pawar
Company Secretary
Membership No.: A52581

NOTES:

1. The Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021, May 05, 2022, December 28, 2022 & September 25, 2023 (collectively referred to as “MCA Circulars”) has allowed to hold Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. The Company prefers to hold Annual General Meeting physically at the Registered Office of the Company on July 23, 2024.
2. The Explanatory Statement, for Item No. 4 to 7 pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of this notice. The relevant details as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, of persons seeking appointment / re-appointment as Directors under Item No. 2, 5 to 7 of the Notice, are also annexed.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY FORM MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY GIVEN HEREUNDER, NOT LESS THAN 48 (FORTY-EIGHT) HOURS BEFORE THE MEETING. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN 10 (TEN) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10 (TEN) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board Resolution authorizing their representative together with specimen signatures of their authorized representatives to attend and vote on their behalf at the Meeting to the Registered office of the Company.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from **July 17, 2024 to July 23, 2024** (both days inclusive).
6. Members/Proxies are requested to bring their duly filled attendance slip along with their copy of annual report to the Meeting, for attending the Meeting.
7. Members, who hold shares in dematerialization form, are requested to bring their depository account number for identification.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Relevant documents, reports, orders, notice or other papers referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, between 11:00 a.m. to 1:00 p.m. up to the date of Annual General Meeting. Members seeking to inspect such documents can send advance intimation by writing request letter at least before 48 hours of Inspection.
10. Pursuant to applicable provisions of the Companies Act, 2013, as applicable from time to time, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to Investor Education and Protection Fund established by the Central Government.

Further, Members who have not claimed their Final dividend for the financial year 2016-17 are requested to claim their unclaimed dividend before August 25, 2024. Members who have not encashed their above Dividend Warrants may approach to the Company/RTA immediately for revalidation. The Company shall thereafter as mentioned above; process to transfer the unclaimed dividend amount to the Investor Education and Protection Fund and no claim shall lie against the Company for the said amount of unclaimed dividend so transferred.

11. To avoid loss of dividend warrants/DDs in transit and undue delay in respect of receipt of dividend warrants/DDs, the Company has provided a facility to the Members for remittance of dividend through the National Electronic Clearing System (NECS)/National Automated Clearing House (NACH). **It is in Members interest to avail NECS/NACH facility as it is quick and much convenient way of getting dividend directly in your bank account.** Members desirous of availing NECS/NACH facility are requested to submit bank particulars in ECS Mandate Form to the company's Registrar and share Transfer Agent. The format is available on the website of the Company at www.dacl.co.in or update bank details as mentioned in point no. 15 of Notes.
12. As per Section 124(6) of the Act read with the IEPF Rules as amended, all the shares in respect of which dividend has remained unpaid / unclaimed for seven consecutive years or more have been transferred to the IEPF Account.
13. In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a duly signed physical copy of the same to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.
14. SEBI has issued Circular No. SEBI / HO / MIRSD / MIRSD_RTAMB / P / CIR / 2021 / 655 dated November 3, 2021 and clarification vide Circular No. SEBI / HO / MIRSD / MIRSD_RTAMB / P / CIR / 2021 / 687 dated December 14, 2021 and Circular No. SEBI/ HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/ 37 dated March 16, 2023 and Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 November 17, 2023, wherein SEBI has prescribed Common and Simplified Norms for processing Investor's Service Request by Registrar and Share Transfer Agent (RTA) of the Company.
15. SEBI vide these Circulars have mandated the furnishing of PAN, Address with PIN code, Email address, Mobile No., Bank Account details, Specimen Signature & Nomination by holders of physical securities and that from January 1, 2022, RTA has not processed any service requests or complaints received from the holder(s)/claimant(s), till PAN, KYC and Nomination documents/details etc. are received. The Company has sent reminders to the physical holders whose mandatory details are yet to be updated.
Members holding shares in physical form shall submit mandatory details to Company's Registrar & Share Transfer Agent or to the Company Secretary at the registered office of the Company. Requisite forms are also available on website of the Company www.dacl.co.in.
16. Members are requested to notify immediately:
 - (a) Any change in their residential address.
 - (b) Income-tax Permanent Account Number (PAN).
 - (c) Bank details – Name and address of the bank; A/c No.; type of A/c
 - (d) Nomination Details
 - (e) Email ID & Mobile Number
 - (f) Specimen Signature
17. Non-Resident Indian Shareholders are requested to inform the Company immediately:
 - (i) The change in the Residential Status on return to India for permanent settlement;
 - (ii) The particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not furnished earlier.
18. Members seeking any information or clarification relevant to the Financial Statement of the Company can send written request to the Company, at least ten days before the date of the Annual General Meeting. Replies will be provided in respect of such queries received only at the meeting.

19. Members are requested to address their communications regarding transfer of shares in Demat, change of address, dividend mandates, etc. quoting their folio number(s) to the Company's Registrar & Transfer Agent:

M/s. Link Intime India Pvt. Ltd.

Geetakunj 1, Bhakti Nagar Society,
Behind ABS Tower, Old Padra Road,
Vadodara- 390015.
Te. (0265) 3566768
Email: vadodara@linkintime.co.in

20. **The Company will not entertain any direct request from Members for deletion/change in the bank account details furnished by Depository Participants to the Company.**

21. SEBI has issued circular no SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, wherein SEBI mandated all the listed companies shall henceforth issue the securities in dematerialized form only while processing the following service request: i. Issue of duplicate securities certificate; ii. Claim from Unclaimed Suspense Account; iii. Renewal / Exchange of securities certificate; iv. Endorsement; v. Sub-division / Splitting of securities certificate; vi. Consolidation of securities certificates/ folios; vii. Transmission; viii. Transposition; The Shareholders/Claimants are requested to submit duly filled up Form ISR-4 available on website of RTA <https://web.linkintime.co.in/KYC-downloads.html> and website of Company www.dacl.co.in, along with the documents/details specified therein. For item nos. iii to viii above, shareholder/claimant are also requested to submit original securities certificate(s) to the RTA / Company for processing the above service requests.

The Company / RTA processes the service requests after verification of requisite documents and issue a 'Letter of confirmation' in lieu of physical share certificate(s), to the Shareholders / Claimants within 30 days of its receipt of request, for necessary action from their end.

22. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Registrar and Share Transfer Agent, for consolidation into a single folio. The share certificates will be returned to the members after making requisite changes thereon.
23. As per the provisions of Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in Demat form; the nomination form may be filed with the respective Depository Participant.
24. The Company has made bonus issue of equity shares at the AGM held on July 12, 2011, and has made an allotment of Bonus shares on July 21, 2011 to the shareholders, who were eligible. Pursuant to Clause 5(A) of the erstwhile Listing agreement, shares which are unclaimed after necessary reminders given to the shareholders have already been credited to "Demat Suspense Account". Hence, the Company requests such shareholders, who have not yet claimed such bonus shares, that they communicate the Company's RTA and claim such shares at their end.
25. As per sub clause F of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company shall disclose the following details in its Annual Report, as long as there are shares in the suspense account:
- (i) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; **96 Shareholders & 3303 shares**
 - (ii) Number of shareholders who approached issuer for transfer of shares from suspense account during the year: **NIL**
 - (iii) Number of shareholders to whom shares were transferred from suspense account during the year: **NIL**

- (iv) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; **96 Shareholders & 3303 shares**
 - (v) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.
26. In line with the measures of Green Initiative, Companies Act, 2013, provides for sending notice of the meeting along with annual report to the Members through electronic mode. Members holding shares in physical mode are requested to register their e-mail Id's with the Company/RTA/as procedure mentioned in point no.-15 of Notes. Members holding shares in dematerialised mode are requested to register their e-mail Id's with their respective DPs. If there is any change in the e-mail id already registered with the Company/RTA, Members are requested to immediately notify such change to the Company/RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.

In compliance with the provisions of Section 108 of the Companies Act, 2013, and in accordance with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has fixed July 16, 2023 as the "cut-off date" to determine the eligibility to vote by electronic means or in the general meeting. A person whose name is recorded in the register of "remote e-voting" (e-voting from a place other than venue of the AGM), to enable them to cast their votes at the 48th Annual General Meeting (AGM) and the business at the 48th AGM may be transacted through such voting. The Company has entered into an agreement with M/s Link Intime India Private Limited (LI IPL) for facilitating e-voting to enable all its Shareholders to cast their vote electronically.

The facility for voting, either through electronic voting system or ballot/polling paper shall also be made available at the venue of the AGM, apart from the remote e-voting facility provided prior to the date of AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed Mr. Sandip Sheth (Mem No. 5467) or failing him Mr. Prashant Prajapati (Mem No. 32597) of M/s. Sandip Sheth & Associates, the firm of Company Secretaries in whole time practice, as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. The Scrutinizer shall make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, during the remote e-voting and voting at the AGM, not later than 2 working days from the conclusion of the meeting, to the Chairman or a person, authorised by him in writing. The Chairman or a person, authorised by him in writing, shall declare the results of the AGM forthwith. The results declared along with the Scrutinizer's report shall be placed on the Company's website and on the website of LI IPL and shall be communicated to the Stock Exchanges.

1. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by LI IPL, on all resolutions set forth in this Notice.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE VOTING ARE AS UNDER:

- The voting period begins on July 19, 2024 at 9:00 a.m. and ends on July 22, 2024 at 5:00 p.m. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 16, 2024, may cast their vote electronically. The e-voting module shall be disabled by Link Intime India Private Limited for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

Remote e-Voting Instructions for shareholders (EVENT NO. 240262)

As per the SEBI circular dated December 9, 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nSDL.com> and click on “Beneficial Owner” icon under “Login”.
- b) Enter user id and password. Post successful authentication, click on “Access to e-voting”.
- c) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User who have not registered for NSDL IDeAS facility:

- a) To register, visit URL: <https://eservices.nSDL.com> and select “Register Online for IDeAS Portal” or click on <https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp>”
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on “Access to e-voting”.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- a) Visit URL: <https://www.evoting.nSDL.com/>
- b) Click on the “Login” tab available under ‘Shareholder/Member’ section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see “Access to e-voting”.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – If registered with CDSL Easi/Easiest facility

Users who have registered for CDSL Easi/Easiest facility.

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/home/login> or www.cdslindia.com.
- b) Click on New System Myeasi
- c) Login with user id and password
- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users who have not registered for CDSL Easi/Easiest facility.

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through “e-voting” tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit 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 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) (Shareholders 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.

* *Shareholders holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

* *Shareholders holding shares in **NSDL form**, shall provide ‘D’ above*

- 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).

- Click “confirm” (Your password is now generated).

3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
4. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
2. E-voting page will appear.
3. 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).
4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. 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 ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on "Investor Mapping" tab under the Menu Section
- c) Map the Investor with the following details:
 - a. 'Investor ID' -
 - i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*
 - ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*
 - b. 'Investor's Name' - Enter full name of the entity.
 - c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
 - d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter '16-digit Demat Account No.' for which you want to cast vote.
- e) 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).
- f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.

- g) 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. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- You will be able to see the notification for e-voting in inbox.
- Select ‘**View**’ icon for ‘**Company’s Name / Event number**’. E-voting page will appear.
- Download sample vote file from ‘Download Sample Vote File’ option.
- Cast your vote by selecting your desired option ‘Favour / Against’ in excel and upload the same under ‘Upload Vote File’ option.
- Click on ‘Submit’. ‘Data uploaded successfully’ message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

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:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
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

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholder holding securities in physical form 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>

o Click on ‘**Login**’ under ‘**SHARE HOLDER**’ tab and further Click ‘**forgot password?**’

o 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 a minimum of 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

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders (“Corporate Body/ Custodian/Mutual Fund”) has forgotten the password:

If a Non-Individual Shareholders holding securities in demat 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>

- o Click on ‘Login’ under ‘Corporate Body/ Custodian/Mutual Fund’ tab and further Click ‘forgot password?’
- o Enter User ID, Organization ID 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 a minimum of 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has 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 abovementioned 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”.

Other Instructions:

- i. The remote e-voting period commences on Friday, July 19, 2024 (9.00 a.m. IST) and ends on Monday, July 22, 2024 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on July 16, 2024, may cast their vote electronically. The e-voting module shall be disabled by Link Intime India Private Limited for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on July 16, 2024.
- iii. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Sandip Sheth, Practicing Company Secretary, (Membership No. FCS 5467), at the Registered Office of the Company not later than Monday, July 22, 2024 (5.00 p.m. IST). Members have the option to request for physical copy of the Ballot Form by sending an e-mail to secretarial@dacl.co.in by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than Monday, July 22, 2024 (5.00 p.m. IST). Ballot Form received after this date will be treated as invalid.
A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- iv. The Route Map to the venue of Annual General Meeting is annexed herewith this Notice.

Place : Vadodara

Date : May 24, 2024

CIN NO: L24110GJ1976PLC002905

REGISTERED OFFICE:

Plot No.13, PCC Area,
P.O. Petrochemicals,
Vadodara –391 350

By Order of the Board

Hemaxi Pawar
Company Secretary
Membership No.: A52581

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

ITEM NO. 2:

Mr. Amit Mehta retires by rotation at the ensuing Annual General Meeting, and being eligible, has offered himself for reappointment.

Mr. Amit Mehta was Vice Chairman of the Company since March 14, 2001 and appointed as an Executive Chairman with effect from April 01, 2020 for a period of 3 years and reappointed with effect from April 01, 2023 for a period of 3 years.

Mr. Amit Mehta aged 69 years, is an eminent entrepreneur, having over 40 years' of experience in the business of chemicals. His skills and knowledge is of immense help to the Company in achieving desired sales target and in maintaining cordial relations with customers at large. He is also one of the Promoters of the Company.

Mr. Amit Mehta holds 12,57,080 equity shares in the Company. Mr. Amit Mehta holds directorship/designated Partnership as on 31.03.2024 in the following companies;

- | | |
|---|---|
| 1. Perfo Chem (I) Private Limited | 2. S. Amit Speciality Chemicals Private Limited |
| 3. Insight Health Scan Private Limited | 4. Topnotch Reality Private Limited |
| 5. Pinami Reality Private Limited | 6. Finorga (I) Private Limited |
| 7. Value E-Healthcare Limited | 8. Agree Solutions LLP |
| 9. Fyra Insights Private Limited | 10. Global Local Lifestyle Services Private Limited |
| 11. DACL Fine Chem Limited | 12. KLJ Organic Diamines Limited |
| 13. Hi-End Property Developers LLP | 14. Express Interiors & Contractors LLP |
| 15. Reaxa Chemistry Solutions LLP | 16. Mohar Properties & Trading LLP |
| 17. Locobiz Innovations Private Limited | |

It will be in the interest of the Company that Mr. Amit Mehta continues as Director of the Company. Mr. Amit Mehta is interested in this resolution since it relates to his reappointment.

Resolution placed at item no. 2 of the notice is recommended for approval of the Shareholders as ordinary resolution.

No Director, key managerial personnel or their relatives, except Mr. Amit Mehta, to whom the resolution relates, are interested or concerned in the Resolution.

ITEM NO. 4: Ratification of Remuneration to Cost Auditor

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of M/s. Diwanji & Co., Cost & Management Accountants, to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2025.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the year 2024-25 as set out in the Resolution for the aforesaid services to be rendered by them.

The Board of Directors accordingly recommends the passing of this resolution. None of the Directors, Key Managerial Personnel of the Company or their relatives, is in any way concerned or interested in the said resolution.

ITEM NO. 5: Continuation of term of Mr. Amit Mehta (DIN: 00073907) as Executive Chairman upon attaining age of Seventy Years

The Shareholders of the Company at the 47th Annual General Meeting held on June 21, 2023 approved reappointment of Mr. Amit Mehta (DIN: 00073907) as an Executive Chairman of the Company for a period of three years effective from April 01, 2023 to March 31, 2026 through a Special Resolution under the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and

the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and Articles of Association of the Company. Mr. Amit Mehta, Executive Chairman will attain age of 70 years on June 15, 2024. The Company seeks consent of the members by way of special resolution for continuation of their holding of existing office after the age of 70 years during the current term of his appointment under the provisions of Section 196 (3) (a) of the Companies Act, 2013. The Board therefore recommends the Special Resolutions for your approval.

Mr. Amit Mehta, aged 69 years, is a B. Sc. Chemistry Graduate from St. Xavier's College, Mumbai University and has a very vast experience of Chemical sector. Mr. Amit Mehta is an eminent entrepreneur, having more than 40 Years of experience in the business of chemicals. Accordingly, looking at his expertise and long experience of business and corporate management, the Board of Directors recommends the Special resolution set out at Item No.5 of the accompanying Notice for the approval of the Members. The Board is of the view that the continued association of Mr. Amit Mehta would benefit the Company, given the knowledge, experience and performance of Mr. Amit Mehta, and contribution to Board processes by him. In the opinion of the Board, Mr. Amit Mehta fulfils the conditions specified in the Companies Act, 2013, the Rules thereunder and the SEBI (LODR) Regulations, 2015 for appointment as an Executive Chairman.

The Details required under Regulations 36(3) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 enclosed as an Annexure to the notice.

This explanatory statement and the resolution at Item no. 5 may also be read and treated as disclosure in compliance with the Companies Act, 2013. Except Mr. Amit Mehta and his relatives, none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in Resolution No. 5.

ITEM NO. 6 Re-appointment of Mr. Dhruv Mehta (DIN: 02083226) as an Independent Non-Executive Director

Mr. Dhruv Mehta was appointed as an Independent Non-Executive Director of the Company by the members at the Extra Ordinary Meeting of the Company Held on March 13, 2020 for a period of five consecutive years commencing from December 03, 2019.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Dhruv Mehta, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of five consecutive years from December 03, 2024 to December 02, 2029.

The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and the applicable Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. He has also given his consent to continue to act as Director of the Company, if so appointed by the members.

In the opinion of the Board, Mr. Dhruv Mehta fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, for his reappointment as an Independent Non-Executive Director of the Company and is independent of the management. Copy of the draft letter for re-appointment of Mr. Dhruv Mehta as an Independent Non-Executive Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company on any working day, except Saturday, between 11:00 am to 1:00 pm, upto and including the date of Annual General Meeting of the Company. Members seeking to inspect such documents can send advance intimation by writing request letter at least before 48 hours of Inspection.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Dhruv Mehta as an Independent Director. Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Mr. Dhruv Mehta as an Independent Director for another term of five consecutive years with effect from December 03, 2024 to December 02, 2029, for the approval by the shareholders of the Company.

A brief profile of the Independent Director to be re-appointed is given below:

Mr. Dhruv Mehta (DIN: 02083226)

Mr. Dhruv Mehta, aged 58 years is a Chartered Accountant by qualification; he is Member of the Institute of Chartered Accountants of India and The Institute of Cost & Works Accountants of India.

He has rich experience of more than 2 decades in Corporate Finance, Investment banking, Wealth Management, in the area of Products & in depth knowledge on a range of financial products including bonds, equities, mutual funds, private equity funds, real estate funds & structured products. He has Strong relationships with Fund Managers, CEO's and Economists across various AMC's and Banks. He is Founder Chairman of Foundation of Independent Financial Advisors (FIFA), since its inception on February 15, 2012.

Resolution placed at Item No. 6 of the notice is recommended by the board, for the approval of the Shareholders as special resolution.

None of the Directors, Key Managerial Personnel or their relatives, except Mr. Dhruv Mehta, to whom the resolution relates, is interested or concerned either financially or otherwise in the Resolution No. 6 of this notice.

ITEM NO. 7 To approve payment of Remuneration of Mr. Rajendra Chhabra as Non- Executive Director in the category of Professional Director exceeding fifty per cent of the total Remuneration/ Compensation/fees payable to all the other Non-Executive of the Company for the Financial Year 2025-26

In terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 listed entity is required to obtain the approval of members of the Company by way of Special Resolution for payment of remuneration to a single non-executive director exceeding 50% of the total remuneration payable to all non-executive directors. Mr. Rajendra Chhabra was an independent Director of the company and he was holding this position in the company since March 14, 2001. He is a Practicing Chartered Accountant. Mr. Chhabra has vast knowledge in the field of Accounts and Finance. During his tenure since 2001, he has played very active and significant role in setting up the complete transparency and integrity in finance functions of the Company and hence to get the benefit of his vast experience and strategic guidance, the Board of Directors has reappointed him as a Professional Non-Executive Directors for the period of 3 years with effect from November 06, 2023, for immense benefit to the Company.

The Company pays him consultation fees upon raising invoice on monthly basis which may be mutually decided by the Board and Mr. Rajendra Chhabra and payment of such consultation fees may be exceeding fifty percent of the total commission/remuneration/compensation payable to all non-executive Directors of the Company for the financial year 2025-26 (till tenure of his current term ended on November 05, 2026), requiring approval of members in terms of aforesaid provision.

Hence, resolution as contained in Item No. 7 is proposed for the approval of shareholders by way of special resolution. The Board recommends the resolution for the approval of Members of the Company.

None of the Directors except Mr. Rajendra Chhabra, Key Managerial Personnel and relatives thereof, are in any way concerned or interested, financially or otherwise, in the said resolutions.

Place : Vadodara

Date : May 24, 2024

CIN NO: L24110GJ1976PLC002905

REGISTERED OFFICE:

Plot No.13, PCC Area,
P.O. Petrochemicals,
Vadodara -391 350

By Order of the Board

Hemaxi Pawar
Company Secretary
Membership No.: A52581

Annexure to the Notice

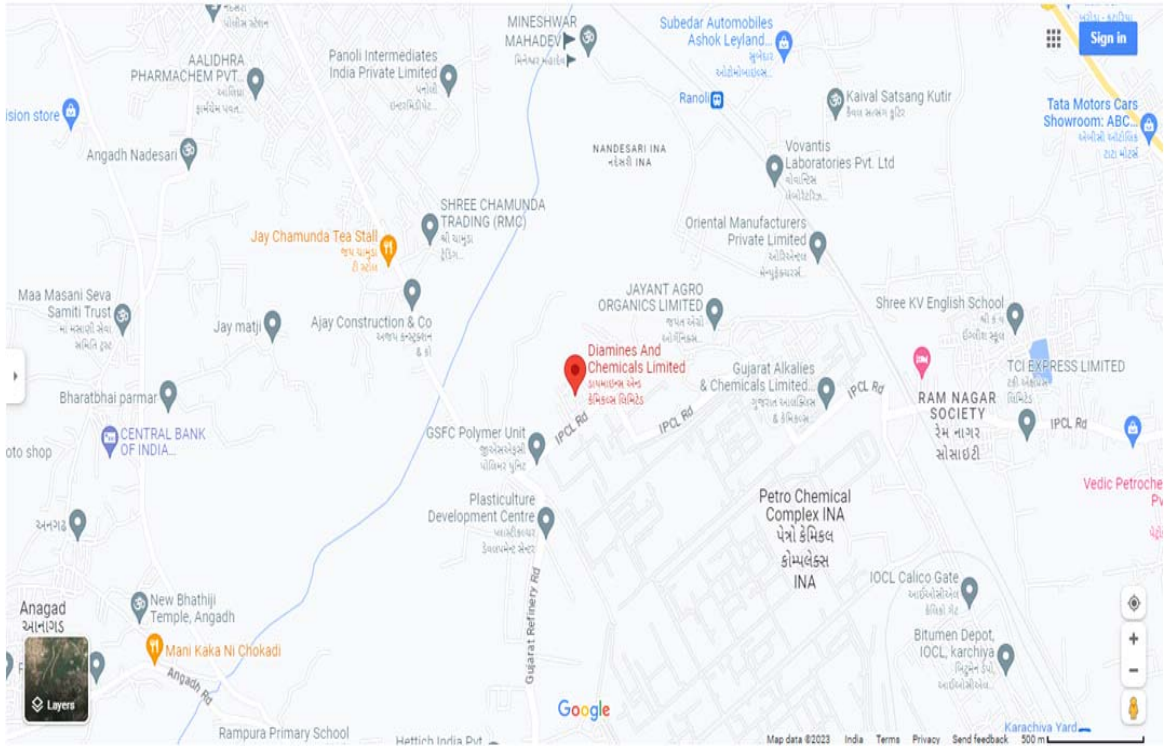
**DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT
IN 48TH ANNUAL GENERAL MEETING**

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India)

Name of Director	Mr. Amit Mehta	Mr. Dhruv Mehta
Date of birth	15.06.1954	26.07.1961
Date of Appointment on Board	01.04.2023	03.12.2019
Brief Profile/Experience/Expertise in specific functional area	Mr. Amit Mehta, age 69 years, is a B. Sc. Chemistry Graduate from St. Xavier's College, Mumbai University and has a very vast experience of Chemical sector. Mr. Amit Mehta is an eminent entrepreneur, having more than 40 Years of experience in the business of chemicals.	He has rich experience of more than 2 decades in Corporate Finance, Investment banking, Wealth Management, in the area of Products & in depth knowledge on a range of financial products including bonds, equities, mutual funds, private equity funds, real estate funds & structured products. He has Strong relationships with Fund Managers, CEO's and Economists across various AMC's and Banks. He is Founder Chairman of Foundation of Independent Financial Advisors (FIFA), since its inception on 15 th February, 2012
Qualifications	B. Sc. Chemistry	CA and CMA
Terms and conditions of appointment/ re-appointment	3 Years	5 Years
Details of remunerations ought to be paid	As per resolution approved by members by postal ballot on March 30, 2024	NA
Remuneration last drawn by such person, if applicable	133.05 lakhs (FY 2023-24)	NA
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not Related	Not Related
Number of Meetings of the Board attended during the year	4	3

Name of Director	Mr. Amit Mehta	Mr. Dhruv Mehta
Directorship/Designated Partnership held in other companies	<ol style="list-style-type: none"> 1. Perfo Chem (I) Pvt. Ltd. 2. S. Amit Specialty Chemicals Private Limited 3. Insight Healthscan Pvt. Ltd. 4. Topnotch Reality Pvt. Ltd. 5. Pinami Reality Pvt. Ltd. 6. Finorga (I) Private Limited 7. Value E-Healthcare Ltd. 8. Fyra Insights Pvt. Ltd. 9. Global Local Lifestyle Services Private Limited 10. DACL Fine Chem Limited 11. KLJ Organic Diamines Ltd. 12. Hi End Property Developers LLP 13. Express Interiors & Contractors LLP 14. Reaxa Chemistry Solutions LLP 15. Mohar Properties And Trading LLP 16. Agreo Solutions LLP 17. Locobiz Innovations Pvt. Ltd. 	<ol style="list-style-type: none"> 1. Shriram Asset Management Company Limited 2. Shriram Wealth Limited 3. Foundation of Independent Financial Advisors 4. Malabar Capital Advisors Private Limited 5. Malabar Capital Pvt. Ltd. 6. Institution For Mutual Fund Intermediaries 7. Sapient Wealth Advisors and Brokers Private Limited 8. Karuv Management Services LLP 9. RDVM Partners LLP 10. Mastermind JPin Investments Managers LLP
Membership/Chairmanship of committees of other companies*	<p><u>Diamines and Chemicals Limited</u> Chairperson - Corporate Social Responsibility Committee Member - Stakeholders Relationship committee</p>	<p><u>Diamines and Chemicals Limited</u> Chairperson – Audit Committee, Project Investment Finance Committee Member – Nomination and Remuneration Committee <u>Shriram Asset Management Company Limited</u> Member – Stakeholder Relationship committee Chairperson of Foundation of Independent Financial Advisor</p>
Shareholding in the company	12,57,080	45,000

ROUTE MAP:-
Venue to the 48th AGM of the Company



Diamines And Chemicals Limited
Chemical Manufacturer

📍 Plot No. 13, PCC Area, P.O. Petrochemical, Vadodra, Gujarat 391450

🌐 dacl.co.in

☎ 0265 353 4200

Scan and Reach



BOARD'S REPORT

To the Members,

Your Directors are pleased to present the 48th Annual Report of the Company together with the Audited standalone and consolidated Financial Statements of Accounts for the year ended March 31, 2024.

1. Financial Results

The Company's financial performances for the year under review along with previous year's figures are given hereunder:

Financial Results

(₹ in Lakhs)

Particulars	Standalone Year Ended		Consolidated Year Ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Net Sales and Other Income	10,676.05	11330.69	10,658.70	11330.51
Profit before Finance costs and Depreciation Expenses	2692.71	5851.43	2523.70	5827.78
Finance cost	19.42	14.47	19.51	14.47
Depreciation and amortisation expenses	265.83	170.68	285.12	178.27
Profit from ordinary activities before Tax Expense	2407.46	5666.28	2219.07	5635.04
Tax expense				
Current tax	577.03	1425.57	577.03	1425.57
Tax Related to earlier years	7.28	7.98	7.28	7.98
Deferred tax	46.02	10.78	46.02	10.78
Net Profit from ordinary activities after tax	1777.13	4221.95	1588.74	4190.71
Share of Profit/(loss) of Associates	-	-	(41.69)	(0.35)
Other comprehensive income /(expense) (net of tax)	98.44	(182.62)	98.44	(182.62)
Total comprehensive income for the period	1875.56	4039.36	1645.48	4007.74
Net Profit / (loss) attributable to				
a) Owners of the Company	-	-	1547.05	4190.36
b) Non controlling interest	-	-	-	-
Other comprehensive income attributable to				
a) Owners of the Company	-	-	98.44	(182.62)
b) Non controlling interest -	-	-	-	-
Total comprehensive income attributable to				
a) Owners of the Company	-	-	1645.48	4007.74
b) Non controlling interest	-	-	-	-
Balance of profit brought forward	11585.77	7947.32	11549.31	7942.45
Dividend				
Dividend (Final)	(293.50)	(586.99)	(293.50)	(586.99)
Tax on Dividend (Final)	-	-	-	-
Transfer to General Reserve	-	-	-	-
Balance carried to Balance Sheet	13077.02	11585.77	12810.82	11549.31
Basic & diluted earning per equity share on Net profit from ordinary activities after tax (face value ₹ 10/- each) (In ₹)				
Basic	18.16	43.15	16.24	42.84
Diluted	18.16	43.12	16.23	42.80

2. Dividend

Dividend paid during the year ended March 31, 2024 include ₹ 3/- per equity share towards Final dividend for the year ended March 31, 2023 on 9783240 equity shares of ₹ 10/- each.

The Board of Directors recommended a final dividend of ₹ 2.50 per Ordinary share on 9783990 ordinary shares of ₹ 10/- each for the year ended on March 31, 2024. The Dividend for the year ended March 31, 2024 is subject to the approval of members at the Annual General Meeting on July 23, 2024 and will be paid within statutory time period, if approved by the members at the Annual General Meeting.

3. Transfer to Reserves

Pursuant to provisions of Section 134(3)(j) of the Companies Act, 2013, the company has not proposed to transfer any amount to general reserves account of the company during the year under review.

4. Review of Business Operations, performance highlights and Future Prospects

Your Directors wish to present the details of Business operations done during the year under review:

Standalone:

Total income for the year 2023-24 was registered at ₹ 10,676.05 lakhs as compared to income of ₹ 11,330.69 lakhs for the year 2022-23

Net profit after tax was ₹ 1777.13 lakhs as compared to ₹ 4221.95 lakhs in previous financial year.

Sales volumes for the year 2023-24 were at 1796.34 MT as compared to 1726.41 MT for the year 2022-23.

Consolidated:

Consolidated total income for the financial year 2023-24 stood at ₹ 10,658.70 lakhs while net profit / (loss) after tax reported at ₹ 1588.74 lakhs.

During the year, your Company has obtained the License Gujarat Pollution Control Board (GPCB) for Proposed Expansion of Synthetic Organic Chemicals in existing manufacturing unit and ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 from Bureau Ventas (India) Private Limited (Certification Business), which referred in Management and Discussion and Analysis Report.

5. Investor Education and Protection Fund (IEPF)

a) details of the transfer/s to the IEPF made during the year as mentioned below:

- (i) amount of unclaimed/unpaid dividend and the corresponding shares; - the Company had declared Dividend during FY 2016-17. There is 3,91,075/50 unclaimed Dividend amount due for transfer to Investor Education and Protection Fund as on March 31, 2024.
- (ii) redemption amount of preference shares; - Not Applicable
- (iii) amount of matured deposits, for companies other than banking companies, along with interest accrued thereon; - Not Applicable
- (iv) amount of matured debentures along with interest accrued thereon; - Not Applicable
- (v) application money received for allotment of any securities and due for refund along with interest accrued; - Not Applicable
- (vi) sale proceeds of fractional shares arising out of issuance of bonus shares, merger and amalgamation; - Not Applicable

b) details of the resultant benefits arising out of shares already transferred to the IEPF; - Dividend on shares, which are transferred to IEPF, has been also transferred to IEPF.

- c) year wise amount of unpaid/unclaimed dividend lying in the unpaid account upto the Year and the corresponding shares, which are liable to be transferred to the IEPF, and the due dates for such transfer;

Year	unpaid/unclaimed dividend lying in the unpaid account	Date of Declaration of Dividend in AGM / Board	Due date of Dividend Transfer to IEPF	Due date of Transfer of corresponding shares to IEPF
2016-17	391075/50	20-Jul-17	23-Sep-24	23-Oct-24
2017-18	533792/00	06-Aug-18	10-Sep-25	10-Oct-25
2018-19 (Interim)	1045989/00	26-Oct-18	30-Dec-25	29-Jan-26
2018-19 (Final)	385478/00	09-Aug-19	13-Oct-26	12-Nov-26
2019-20 (Interim)	729484/00	04-Feb-20	09-Apr-27	09-May-27
2019-20 (Final)	633132/00	04-Sep-20	08-Nov-27	08-Dec-27
2020-21	560818/00	20-Jul-21	23-Sep-28	22-Oct-28
2021-22	381668/00	28-Jun-22	01-Sept-29	30-Sept-29
2022-23 (Interim)	401750/00	14-Nov-22	18-Jan-30	17-Feb-30
2022-23 (Final)	367579/00	21-Jun-23	24-Aug-30	23-Sept-30

- d) the amount of donation, if any, given by the company to the IEPF; - Not Applicable
e) such other amounts transferred to the IEPF, if any, during the year. -Not Applicable

6. Material Changes And Commitment, if any, affecting the Financial Position of the Company occurred between the end of the Financial Year to which this financial statements relate and the date of the report

There have been no material changes and commitments, if any, 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 this Report.

7. Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year, pursuant to Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 forms part of the Annual Report, attached herewith as **“ANNEXURE-A”**.

8. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is furnished in **ANNEXURE – B** and is attached to this report.

Your Company understands and appreciates the responsibility and importance of conservation of energy and continues to put efforts in reducing or optimizing energy consumption for its operations.

Your Company is continuously monitoring and taking measures for conservation of energy such as:

- Reduction in steam consumptions by improving insulation, electricity by installing LED lamps and high efficiency motors for new installation and cooling water by debottlenecking of various operations
- Improvement in the yields and planned increase in throughput
- Improved steam condensate recovery by installing new designs of traps and monitoring trap performance
- Utilization of by-products steams
- Increasing automation for optimum utilization of energy through automatic power factor correction and other initiatives

9. Safety, Health And Environment

a) Safety and Process Safety :

Safety and process safety appointed qualified EHS professional to implement process safety in operations. The Company encourages a high level of awareness of safety issues among its employees and strives for continuous improvement. All incidents are analyzed in the safety committee meetings and corrective actions are taken immediately. Employees are trained in safe practices to be followed at workplace.

The Company has planned Hazard and Operability Analysis (HAZOP) for new installation and current operations to improve process safety. The Company works on designing and implementing an effective safety management system to improve safety in operations.

Safety promotional activities such as celebration of National Safety Day, arranging poster competition, slogan competition, etc. and prize distribution are conducted every year to encourage safety culture. The company also conducts Mock drill regularly on quarterly basis and outcome of Mock drill is analyzed and necessary improvements are implemented regularly. The company also makes continuous efforts to increase Safety awareness with regular and contractual employees and workers. Team of First Aiders are trained and certified as part of Emergency Management Crew.

The Company has received ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 Certificate from Bureau Ventas (India) Private Limited (Certification Business) that aids and enhances Credibility, Improved Efficiency, Risk Management, Market Access, Regulatory Compliance and Stakeholders Satisfaction. Further, it enhances environmental efficiency/ performance, rescues waste, aids in improving safety & health.

b) Health:

Your Company attaches utmost importance to the health of its employees. Periodic checkup of employees is done to monitor their health. Company also has Occupational Health Center open for 24 hours, and Ambulance facility at its Manufacturing site. Health related issues if any are discussed with visiting Medical Officer. Company also has a tie up with one hospital in the City to provide timely medical assistance to the employees/workers in case of emergencies. Company has started annual health checkup of job Contractors for ensuring fitness during work.

c) Environment:

Company always strives hard to give importance to environmental issues in normal course of operations. Adherence to Environmental and pollution control Norms as per Gujarat Pollution Control guidelines is of high concern to the Company. Your Company has started working towards reducing of carbon footprints by increasing Tree Plantation within and outside company premises. Your Company is also contributing in reducing carbon footprints from the environment by way of captive consumption of Wind Turbine Generators (WTG) of total 0.75 MW Capacity as on March 31, 2024 at Shikharpur, Kutch, Gujarat.

10. Cash Flow and Consolidated Financial Statements

As required under Regulation 34 of the Listing Regulations, a Cash Flow Statement is part of the Annual Report. The Company has its wholly Owned Subsidiary named DACL Fine Chem Limited, incorporated on 30.07.2020 and KLJ Organic Diamines Limited, Joint Venture/Associate Company incorporated on 15.12.2021 (Shareholding between M/s KLJ Organic Limited (Associate/Joint Venture Partner) and the Company is 65:35 respectively) and therefore, it is required to publish Consolidated Financial Statements.

11. Corporate Social Responsibility (CSR) Initiatives and Policy

The Company believes in contributing to harmonious and sustainable development of society and that a company's performance must be measured not only by its bottom line but also with respect to the social contributions made by the company while achieving its financial goals. During the year, the CSR Expenditure incurred by the company was ₹ 72.03/- Lakhs in the area of Education, Health and Environment. The CSR policy of the Company may be accessed on the Company website at the link:

<https://www.dacl.co.in/pdf/investors/CSR.pdf> The Annual Report on CSR Activities is annexed herewith as **ANNEXURE – C.**

12. Particulars of Loans, Guarantees or Investments made under section 186 of the Companies Act, 2013

Your Company made investment in Equity shares of other Company during the years for the purpose of generation of additional surplus income. The particulars of Loans, guarantees or investments made under Section 186 are furnished in **ANNEXURE-D** and are attached to this report. Details of the loans and investments made by your Company are also given in the notes to the financial statements.

13. Material Orders Passed by Regulatory/Court

The Company has received Approval from National Stock Exchange of India Limited (NSE) for equity shares of the Company which were listed and admitted to dealing on main Board of NSE w.e.f. September 25, 2023.

The Company has received approval from Gujarat Pollution Control Board (GPCB) for Proposed Expansion of Synthetic Organic Chemicals in existing manufacturing unit of M/s. Diamines and Chemicals Limited at Plot No. 13, PCC Area, P.O. Petrochemicals, Vadodara-391350.

The Company has received certificate dated February 20, 2024 of ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 from Bureau Ventas (India) Private Limited (Certification Business).

There were no other significant and material orders passed by any regulators and/or courts and tribunals which may have the impact on the going concern status and company's operations in future.

14. Internal Financial Controls

The Board of Directors of the Company has laid down adequate internal financial controls which are operating effectively. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Policies and procedures are adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, the prevention and detection of its frauds and errors, the accuracy and completeness of the accounting records and the timely preparations of reliable financial information. The scope of Internal Audit is well defined in the organization. The Internal Audit report regularly placed before the Audit Committee of the Board. The Management monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report of Internal Auditors, process owners undertake corrective action in their respective areas and thereby strengthening the controls continuously. Significant audit observations, if any, and corrective actions suggested and taken are presented to the Audit Committee of the Board.

15. Particulars of Contracts or arrangements made with Related Parties

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 read with Regulation 23 of the SEBI, (Listing Obligations And Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

There were no materially significant related party transactions made by the Company with the Promoters, Directors and Key Managerial Personnel which may have a potential conflict with the interests of the Company at large. All other Related Party Transactions are placed before the Audit Committee and also the Board for approval. The policy on materiality of related party transactions and dealing with related party transactions is uploaded on the Company's website https://www.dacl.co.in/pdf/investors/RPT_Policy.pdf

The particular of contracts or arrangements with related parties during the year under review, and the details required in AOC-2 is mentioned in **ANNEXURE J.**

16. Explanation or Comments on qualifications, reservations or adverse remarks or disclaimers made by the Auditors and Practicing Company Secretary or Cost Auditor in their reports

There were no qualifications, reservations or adverse remarks made either by the Statutory Auditors or by the Practicing Company Secretary or Cost Auditor in their respective reports except as mentioned in the Annual Secretarial Compliance report given by Practicing Company Secretary related to violation of SEBI (Prohibition of Insider Trading) regulations, 2015 (“PIT regulations”) by Designated person of the Company by making Trade/contra trade during window closing period. Your company has complied with the requirement of the provisions of the PIT Regulations.

17. Annual Return

In accordance with Section 134 (3) (a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the copy of Annual Return pursuant to the provisions of Section 92 (3) in prescribed format is available on https://www.dacl.co.in/upload/PDF/MGT_7_2023_24_website_638540440894040366.pdf

18. Number of Board Meetings conducted during the year under review

The Company had 4 (Four) Board meetings during the financial year. During the year under review, Board Meetings were held respectively on May 08, 2023, August 04, 2023, November 07, 2023 and February 06, 2024. Your Directors confirm that to the best of their knowledge and belief, applicable provisions related to Secretarial Standards on the Meetings of the Board of Directors, issued by the Institute of Company Secretaries of India and approved by the Central Government, have been complied with. The details of attendance at the Board Meetings is stated herein below for each Director and the details of attendance at Annual General Meeting for each Director along with their other Directorships is stated in the Corporate Governance Report which forms part of this Report :

Sr. No.	Name of the Director	No. of Board Meetings attended (Total 4 held)
1.	Mr. Amit M. Mehta	4/4
2.	Mr. G. S. Venkatachalam	4/4
3.	Mr. Rajendra Chhabra	4/4
4.	Dr. Ambrish Dalal	4/4
5.	Mr. Dhruv Mehta	3/4
6.	Mrs. Kejal Pandya	4/4

19. Directors Responsibility Statement

In accordance with the provisions of Section 134(5) read with 134 3(c) of the Companies Act, 2013 the Board hereby submits its responsibility Statement that:—

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 at the end of the financial year and of the profit and loss of the company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis;
- The directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and;
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. Subsidiary/Associate Company/Joint venture its Performance & Financial Position

During the year 2020, Company had incorporated a Wholly Owned Subsidiary (WOS) Company named DACL Fine Chem Limited (DFCL) on July 30, 2020 and holding has 2,00,000 equity shares and 1,32,52,320 1% Non-cumulative Optionally Convertible Redeemable Preference Shares (Series A 66,26,160 & Series B 66,26,160) constituting 100% of the paid-up equity/preference share capital of DACL Fine Chem Limited as on March 31, 2024.

During the year 2022, Company has incorporated a company namely KLJ Organic Diamines Limited in collaboration with another shareholder company M/s KLJ Organic Limited (Associate/Joint Venture Partner) and shareholding of the KLJ Organic Limited and the Company is 65:35 respectively.

Pursuant to provisions of Section 2(87) of the Companies Act, 2013, DACL Fine Chem Limited (DFCL) is the 100% wholly-owned subsidiary of our Company and KLJ Organic Diamines Limited (KODL) is Associate/Joint venture Company (Shareholding ratio 35%). For the financial year ended March 31, 2024, the DACL Fine Chem Limited has started its commercial production of Specialty Chemicals as on March 01, 2024, further DFCL has received Factory License from Directorate of Safety and Health, Gujarat State as on March 22, 2024 for its unit established at Plot No. D-II-E-16, Dahej –II Industrial Estate. Tal.: Vagra, Dist: Bharuch. Further KLJ Organic Diamines Limited had issued Right shares of 17,46,500 at face value of ₹ 10/- each and shareholding as on March 31, 2024 is 17,50,000 Equity shares and KODL has not started its commercial activity yet.

The Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014), Form AOC-1 is annexed as **ANNEXURE I**.

In terms of Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the company and its subsidiaries prepared in accordance with Ind AS 110 and 111 as specified in the Companies (Indian Accounting Standards) Rules, 2015, forming part of the annual report. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements and related information of the company and its subsidiaries, wherever applicable, are available on the company's website: www.dacl.co.in. These are also available for inspection during regular business hours at our registered office in Vadodara, Gujarat, India.

21. Deposits

The Company has neither accepted nor renewed any deposits falling within the purview of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time, during the year under review and therefore details mentioned in Rule 8(5)(v)& (vi) of Companies (Accounts) Rules, 2014 relating to deposits, covered under Chapter V of the Act is not required to be given.

22. Directors

Mr. Rajendra Chhabra was re-appointed as a Non - Executive Director of the Company in the category of Professional Director w.e.f. November 06, 2023, for the period of 3 years and eligible for retire by rotation, the same was approved by the Shareholder as on September 21, 2023 by way of postal ballot.

Mr. G. S. Venkatachalam has ceased to be the Executive Director and tendered his resignation on cessation of his term from the directorship of the Company with effect from February 07, 2024 and Mr. Tanmay Godiawala was appointed as a Director in the Category of Executive Director of the Company w.e.f. February 06, 2024, the same was approved by the Shareholder as on March 30, 2024 by way of Postal Ballot.

Mr. Amit Mehta who is retired by rotation and being eligible for re-appointment subject to approval of the Members at the ensuing Annual General Meeting.

Mr. Amit Mehta will continue the term as an Executive Chairman upon attaining the age of 70 years, Mr. Dhruv Mehta was Re-appointed as Director in the Category of Independent Non-Executive Director

for another term of 5 years from December 03, 2024 subject to the approval of Shareholders in the ensuing Annual General Meeting.

None of the Directors is disqualified for appointment/re-appointment under Section 164 of the Companies Act, 2013. The Certificate issued by the practicing Company Secretary relating to non-disqualification of Directors is also attached herewith as "**ANNEXURE G**". As required by law, this position is also reflected in the Auditors' Report. The composition of the Board, meetings of the Board held during the year and the attendance of the Directors there at have been mentioned in the Report on Corporate Governance in the Annual Report.

23. Declarations of Independent Directors

All the Independent Directors have submitted their declaration to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules. The Board hereby confirms that all the Independent directors have registered themselves with Independent Directors Database. Out of three Independent Directors, two Independent Directors are exempted from the Proficiency test as per Exemption criteria and one Independent Director has cleared Proficiency test within statutory time period.

Further, Mr. Dhruv Mehta, aged 58 years is a Chartered Accountant by qualification; he is Member of the Institute of Chartered Accountants of India and The Institute of Cost & Works Accountants of India.

He has rich experience of more than 2 decades in Corporate Finance, Investment banking, Wealth Management, in the area of Products & in depth knowledge on a range of financial products including bonds, equities, mutual funds, private equity funds, real estate funds & structured products. He has Strong relationships with Fund Managers, CEO's and Economists across various AMC's and Banks. He is Founder Chairman of Foundation of Independent Financial Advisors (FIFA), since its inception on February 15, 2012.

Further term of Mr. Dhruv Mehta as a Non-executive Independent Directors will be expired on December 02, 2024 and the board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Dhruv Mehta as an Independent Director. Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Mr. Dhruv Mehta as an Independent director for another term of five consecutive years with effect from December 03, 2024 upto December 02, 2029, for the approval by the shareholder of the Company as mentioned in notice.

24. Familiarization Programmes

The Company has adopted a familiarization policy for independent directors. The policy as well as the details with regard to no. of hours and details of imparting the training to the independent directors of the Company are available on the Company's website www.dacl.co.in.

25. Board Evaluation

Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV, of the Companies Act, 2013, states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The Board approved the evaluation results as collated by the nomination and remuneration committee.

26. Particulars regarding Employees Remuneration

Disclosure pertaining to the remuneration and details as required under Section 197(12) of the Act, and the Rules framed thereunder is enclosed as "**ANNEXURE – E**" to the Director's Report. The information

in respect of employees of the company required pursuant to rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 will be provided upon request. In terms of Section 136 of the Companies Act 2013, the Report and Accounts are being sent to the Members and other entitled thereto, excluding the aforesaid Annexure which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

27. Key Managerial Personnel

As required under Section 203 of the Companies Act, 2013, the Company has noted that Mr. Amit Mehta, (DIN 00073907), Executive Chairman of the Company, Mr. Dipen Ruparelia, Chief Financial Officer and Ms. Hemaxi Pawar, Company Secretary are the Key Managerial Personnel of the Company. Mr. G. S. Venkatachalam has ceased to be the Executive Director and tendered his resignation from the directorship of the Company with effect from February 07, 2024.

28. Auditors

a. Statutory Auditors

In accordance with the provisions of Companies Act, 2013, at the 42nd Annual General Meeting held on August 06, 2018, the shareholders had appointed M/s K C Mehta & Co LLP, Chartered Accountants (ICAI Firm Registration No. 106237W/W100829), as Statutory Auditors of the Company, for a period of 5 years i.e. up to the conclusion of 47th Annual General Meeting.

M/s K C Mehta & Co LLP was reappointed for its 2nd term by the members at 47th Annual General meeting for the period of 5 years i.e. up to the conclusion of 52nd Annual General Meeting to be held for the adoption of accounts for the financial year ending March 31, 2028.

As Companies (Amendment) Act, 2017 has done away with the requirement of ratification at every Annual General Meeting, no ratification for the appointment is required. There is no qualification or adverse remark in Auditors' report. As regards the comments made in the Auditors' Report, the Board is of the opinion that the same are self-explanatory and does not require further clarification.

b. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Sandip Sheth & Associates, Company Secretaries, as secretarial auditors of the Company, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "**ANNEXURE-F**". As regards the comments made in the Secretarial Auditors' Report, the Board is of the opinion that the same are self-explanatory and does not require further clarification.

c. Internal Auditors

Pursuant to provisions of section 138(1) of the Companies Act, 2013, the Company has appointed M/s. CNK & Associates LLP, Chartered Accountants, as Internal auditors of the Company, to undertake the Internal Audit of the Company from FY 2022-23.

d. Cost Auditors

As per the requirement of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit), Amendment Rules 2014, your Company is required to get its cost accounting records audited by a Cost Auditor.

On the recommendation of the Audit Committee, M/s. Diwanji & Co., Cost Accountants, have been re-appointed as the Cost Auditor for the financial year 2024-25. In terms of the provisions of Section 148(3) of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules,

2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, the Board seeks ratification at the ensuing Annual General Meeting for the remuneration payable to the Cost Auditors for the financial year 2024-25.

29. Instances of Fraud, if any, reported by the Auditors

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

30. Risk Management Policy

The Company has a risk management policy which from time to time is reviewed by the Audit Committee of the Board as well as by the Board of Directors. The policy is reviewed quarterly by assessing the threats and opportunities that will impact the objectives set for the Company as a whole. The policy is designed to provide the categorization of this into threats and its cause, impact, treatment, and control measures. As part of the risk management policy, the relevant parameters for manufacturing sites are analyzed to minimize risk associate with protection of environment, safety of operations and health of people at work and monitor regularly with reference to statutory regulations and guidelines define by the company. The company fulfills its legal requirement concerning ambition, wastewater, and waste disposal. Improving workplace safety continued top priority at manufacturing site.

31. Disclosure of composition of Audit Committee and Providing Vigil Mechanism

The Company has in place an Audit Committee in terms of requirements of the applicable provisions of the Companies Act, 2013, Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the composition of the Audit Committee, terms of reference and meetings held are provided in the Corporate Governance Report which forms part of this Report.

The Company has established a vigil mechanism and oversees through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

During the year under review, Audit committee and Board has reviewed and updated Whistle Blower Policy of the Company. The Company has disclosed information about establishment of the Whistleblower Policy on its website https://www.dacl.co.in/pdf/investors/Whistle_blower_policy-DACL.pdf

32. Shares Capital and Debt Structure

a. SHARE CAPITAL

During the year under review the Total Authorized Share Capital is ₹ 17,55,00,000/- (Rupees Seventeen Crore Fifty Five Lakhs Only) and paid-up, issued and subscribed share capital of the company is ₹ 9,78,39,900/- (Rupees Nine Crore Seventy-Eight Lakhs Thirty-Nine Thousand Nine Hundred Only).

b. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

During the year, the Company has granted 2127 (shares granted at 4th tranche) Stock Option to the employees as Reward/Joining bonus, for the year ended March 31, 2024.

The Details of ESOP as on March 31, 2024 are as follow:

Particulars	No. of Options
Total number of Options for which Shareholder’s approval obtained:	
At 45 th Annual General Meeting held on July 20, 2021	2,00,000
Number of Options granted (Grant 1 to 4)	11,187
Number of Options exercised, shares allotted and listed*	750
Number of Options lapsed	8,250
Balance Options available in DACL-ESOP Scheme 2021	1,97,063

*During the year, the Company in the Board Meeting held on February 06, 2024 has approved and allotted 750 Shares to the Eligible Employees.

The Scheme was in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 (SBEB Regulations 2014) and amended as per SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SBEB Regulations 2021). A certificate from the Secretarial Auditors of the Company that the Scheme has been implemented in accordance with SBEB Regulations and the resolution passed by the members, shall be placed in the ensuing Annual General Meeting for inspection of the members. The disclosures regarding stock options required to be made under the provisions of the SBEB Regulations, 2021 are available on the website of the Company at www.dacl.co.in Weblink : https://www.dacl.co.in/upload/PDF/2023_24_ESOP_Disclosure_by_BOD_638540440535914441.pdf

33. Insurance

All the properties and assets of the Company are adequately insured.

34. Code of Conduct

The Board of Directors has laid down a Code of Conduct applicable to the Board of Directors and Senior management which is available on Company’s website at link <https://www.dacl.co.in/pdf/investors/Code%20of%20Conduct%20Diamines%20And%20Chemicals%20Limited%20-%20Investor%20Information.pdf> All Board members and senior management personnel have affirmed compliance with the Code of Conduct.

35. Insider Trading Policy

As required under the Insider Trading Policy Regulations of SEBI and amendments thereto, your Directors have framed Insider Trading Regulations and Code of Internal Procedures and Conducts for Regulating, Monitoring and Reporting of Trading by Insider as well as Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The same is also posted on the website of the Company at <https://www.dacl.co.in/Policy.aspx>. During the previous year, the insider trading policy was revised, reviewed and adopted by Audit Committee and Board as well.

36. Nomination And Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed and adopted a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy on the appointment and remuneration of Directors and Key Managerial Personnel provides a framework based on which our human resources management aligns their recruitment plans for the strategic growth of the Company. The policy is available on website of the Company at link <https://www.dacl.co.in/pdf/investors/Nomination-Remuneration-Policy-03-12-2019-new.pdf>

37. Compliance with Secretarial Standards

The Company has complied with Secretarial Standard on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) and other applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government from time to time.

38. Corporate Governance

Pursuant to the Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereunder, a separate section forming part of this report and titled as “Corporate Governance” is attached herewith as “**ANNEXURE-H**”.

39. Disclosure Under Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013

In line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has set up Internal Complaints Committees at its workplaces to redress complaints received regarding sexual harassment. No complaints have been reported during the financial year 2023-24. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

40. Finance

During the year, the company had been sanctioned limits from State Bank of India of ₹ 1.95 crores in the form of Fund Based (FB) ₹ 95 lakhs and Non Fund Based (NFB) ₹ 1 crores. The limits are short term funds for meeting working capital needs of the Company and secured primarily against current assets and further secured collaterally against immovable assets of the company.

41. Other Disclosures

The consolidated financial statement is also being presented in addition to the standalone financial statement of the company which presents the financial data including Wholly Owned Subsidiary /Joint venture/Associate Company.

42. Acknowledgement

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board of Directors

Date : May 24, 2024
Place : Mumbai

Amit Mehta
Executive Chairman
DIN: 00073907

ANNEXURE – A

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT:

Your Company is key producer of Ethylene amines based in India having its plant at PCC Area, P.O. Petrochemicals; Vadodara. The Products Ethylene Amines find their application in various industry segments such as Active Pharmaceutical Ingredients & Pharma-Intermediates, Specialty Chemicals, Agro-chemicals, Resins, Water treatment chemicals, Petroleum production chemicals, Additives and in many other vital specific sub applications. The plant facility is equipped with up-to-date manufacturing equipment and supported by R & D Center and quality assurance department which are equipped with advanced equipment and analytical instruments. The Company has an excellent team of experienced and qualified professional to manage day to day operations efficiently. For more details please visit www.dacl.co.in.

PERFORMANCE:

Total Standalone revenue (net of taxes) for the year 2023-24 amounted to ₹ 10,676.05 lakhs compared to ₹ 11,330.69 lakhs of the previous year 2022-23. The Standalone operating profit after tax amounted to ₹ 1777.13 lakhs compared to ₹ 4221.95 lakhs in the previous year.

SEGMENT-WISE PERFORMANCE:

The company has identified and is working in two reportable primary segments viz. Specialty Chemicals and trading in Fruits and Vegetables. Thus, the disclosure particulars as per Ind AS-108 on Operating Segments Reporting are made part of this Annual Report in Note 39 of standalone Financial Statements.

STRENGTHS & OPPORTUNITIES:

Your company is key manufacturer of ethylene amines in India which is a growth market. This offers regular opportunities & helps the company to cater to market needs very effectively. Over the years, the company has developed robust Systems which help to maintain and sustain the operations despite sever challenges it faces and is able to enjoy the market leadership position. Its geographical position & the vicinity to customers also offer added advantage in servicing the customers.

Ethylene Amines are building blocks for many industries & hence your company believes that this fact will continue to offer potential to grow by exploring manufacturing possibilities of derivatives based on homologues of Ethylene Amines.

CONCERNS & THREATS:

Since company's core business is Ethylene amines, any negative Development or upheavals taking place in the market place may affect the performance of the company. Fluctuating prices of certain key raw materials also have the potential to impact on performance in the short term.

The company also has to compete with competitors who are either forward or backward integrated & has the advantage of scale of economies & thus can swamp the markets with excess & lower priced or even duty-free products.

OUTLOOK:

The Board of Directors has not identified any material impact on the operations and financials of the company as at March 31, 2024. Considering that the Company deals with Specialty Chemicals, there has been minimal disruption with respect to operations including production and distribution activities.

The Company has not experienced any difficulties with respect to market demand, collections or liquidity. The Company will continue to closely monitor any material changes to future economic conditions.

For the year 2024-25, the Company's focus will continue sustaining and maintaining the market share in certain industry segment where company enjoys market leadership position. This will be achieved by forging stronger relationship with customers and by negotiating and entering in to beneficial contracts with the suppliers of raw materials.

The Ethylene amines business is going through demand-supply imbalance on a global level and this is expected to continue in the year 2024-25 also. Your company is well aware of the challenging scenario lying ahead and taking necessary steps by planning activities properly at operational stages.

KEY DEVELOPMENT DURING THE YEAR:

During the year, Equity shares of your Company has been listed on main board of National Stock Exchange of India Limited (NSE) on September 25, 2023.

Your Company has received approval from Gujarat Pollution Control Board (GPCB) for Proposed Expansion of Synthetic Organic Chemicals in existing manufacturing unit.

Your Company has obtained the License from Gujarat Pollution Control Board (GPCB) for Proposed Expansion of Synthetic Organic Chemicals in existing manufacturing unit and ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 from Bureau Ventas (India) Private Limited (Certification Business).

Wholly Owned Subsidiary:

DACL Fine Chem Limited (DFCL), Wholly Owned Subsidiary of the Company has received Consent to establish (CTE) on December 18, 2023 from Gujarat Pollution Control Board (GPCB) for Proposed Plant of Formulation Chemicals and Lithium based derivatives in unit of M/s. DACL Fine Chem Limited at Plot No. D-II-E-16, Dahej –II Industrial Estate. Tal.: Vagra, Dist: Bharuch as on March 01, 2024.

Further, DFCL has commenced its commercial production of Specialty Chemicals at Plot No. D-II-E-16, Dahej –II Industrial Estate. Tal.: Vagra, Dist: Bharuch.

DFCL received Factory License on March 22, 2024 from Directorate Industrial Safety and Health, Gujarat State for the unit of M/s. DACL Fine Chem Limited at Plot No. D-II-E-16, Dahej –II Industrial Estate. Tal.: Vagra, Dist: Bharuch.

HUMAN RESOURCE:

Human Resources Development, in all its aspects like training in safety and social values is under constant focus of the management. Relations between the management & the employees at all levels remained healthy & cordial throughout the year. The Management and the Employees are dedicated to achieving the corporate objectives and the targets set before the Company. The Company has been regularly monitoring its policy for enchaining the skills of its employees by providing need-based training.

In employee development, your Company has conducted one to one session with department heads and individual contributors on individual capability building & behavioural attributes. It will help to motivate employees for multi-tasking & enhancing ways of working.

In employee recruitment, your Company has recruited 38 new members in our team for new projects, R&D and for other support functions, which includes workmen, engineer & manager level employees who come with their function's expertise & technical knowhow. Your Company is also working on retaining our experienced members to have combination of young aggressive team & experienced senior team.

In employee engagement, your Company has formed engagement committee to plan celebration of various cultural & religious festival throughout the year. These celebrations kept working culture positive & vibrant throughout the year.

In employee training & development, your Company has invested 1719 man hours for motivational training & functional trainings are also going on.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal. The internal control systems are supplemented by an extensive program of internal audits, review by management guidelines & procedures.

Company's control systems are time tested, documented and recognized under ISO Certification. On the financial side, periodic audits by Internal Auditors and External Auditors provide a means whereby identification of areas of improvement and corrective measures taken whenever applicable.

The Company has an independent internal audit system, covering on a continuous basis, the entire gamut of operations and services spanning major business functions. The internal audit functions include evaluation of all financial & major operating system controls. The internal audit findings and recommendations are reviewed by the Audit Committee and are then reported to the Board.

WHISTLE BLOWER POLICY :

The Company has a Whistle Blower policy in place to deal with instances of fraud and mismanagement, if any. The details of the policy are explained in the Corporate Governance Report and the said whistle blower policy is posted on the website of the Company.

KEY FINANCIAL RATIOS:

Ratio	FY 2023-24	FY 2022-23
Debtors Turnover Ratio (times)	5.25	7.37
Inventory Turnover Ratio (times)	2.83	2.91
Current Ratio (times)	7.77	5.46
Operating Profit Margin (%)	22.73	52.93
Net Profit Margin (%)	17.08	38.19
Dividend Per Share (₹)	2.50	6.00
Earnings Per Share (times)		
Basic (₹)	18.16	43.15
Diluted (₹)	18.16	43.12
P/E Ratio (times)	27.71	9.31
Return on Net Worth (%)	12.44	35.91

Reason for significant change:

- Operating/Net Profit margin/EPS/Return on net worth have decreased on account of reduction in average sales price of material mix as well as increase in cost of raw material consumed.
- Interest Coverage and Debt Equity Ratio is not relevant here as company has not availed any long-term debt during the year. No major utilization of working capital loan during the year.
- Current Ratio Increased due to comparative increase in Fixed deposit & inventory.
- P/E ratio Increased on account of Decrease in EPS factor.
- Dividend for FY 2022-23 includes Interim and Final whereas FY 2023-24 includes Final dividend. Dividend per share reduced due to retention of cash accruals for future capex planning.

CAUTIONARY STATEMENT:

The statements in this Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations are "forward looking statements". The forward-looking statements made in the Management Discussion and Analysis Report are based on certain assumptions and expectations of future events. Actual results might differ materially from those anticipated because of changing ground realities. The Directors cannot guarantee that these assumptions are accurate, or these expectations will materialize.

For and on behalf of the Board

Date : May 24, 2024
Place : Mumbai

Amit Mehta
Executive Chairman
DIN: 00073907

ANNEXURE - B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

Particulars	Current Year 2023 – 24	Previous Year 2022 – 23
A. POWER AND FUEL CONSUMPTION:		
Electricity		
a) Purchased Unit	2392185	2077020
Total Amount (₹ in lakhs)	236.96	132.30
Rate/Unit (₹)	9.90	6.37
b) Own Generation		
Through Diesel generator		
Units	38164	29980
Units/Ltr. of Diesel Oil	2.64	3.77
Cost/Unit (₹)	34.73	24.88
Coal		
Quantity in tonnes	3300.07	3130
Total Cost (₹ in lakhs)	321.19	423.84
Average Rate/Tonne	9732.86	13541
LDO & FO		
Quantity in tonnes	286.87	214.75
Total Cost (₹ in lakhs)	160.90	112.80
Average Rate / Tonne	56,087.74	52,522
B. CONSUMPTION PER TONNE OF PRODUCTION:		
Production of Speciality Chemicals (MT)	1812.16	1553.90
Electricity (Unit)	1341.14	1336.65
Coal (Tonnes)	1.82	2.01
FO/LDO (Tonnes)	0.15	0.14

FORM – B

Form for Disclosure of Particulars with Respect to Absorption of Technology, Research & Development.

I TECHNOLOGY ABSORPTION / DEVELOPMENT :

Your Company is working towards to develop innovative technology which helps to occupy less footprints, reduce capex, manufacture products with environment friendly processes. Major focus of the Company is to develop import substitute products.

(A) Specific Areas of significance in which R&D work was carried out by the company:

1. Providing Technical support to Marketing department.
2. Technical support to QA and Production department for continuously improving the quality and development of new products.

(B) Benefits derived from R&D:

1. Technical support provided to production, marketing, and QA department to improve the business of the company.

(C) Future plans of Action:

1. Development of Value added products.
2. Alternate routes for the synthesis of Ethylene amines.
3. Development of Hydrogenation, Ketonisation, Ammonition related products for Company's growth
4. Produce samples of new prospective products for costumer to Validate

(D) Expenditure on R&D:

- | | |
|--------------------------|---------------------------|
| a) Capital | : ₹ 75.31 lakhs |
| b) Revenue | : ₹ 201.52 lakhs |
| c) Total | : ₹ 276.83 lakhs |
| d) Total R&D expenditure | : 2.66% of total turnover |

(E) Technology absorption, adoption and innovation:

1. Efforts towards technology development and innovation – As stated above.
2. Benefits derived as results of the above efforts – As stated above.
3. Absorption and adoption of imported technology – Not Applicable.

II FOREIGN EXCHANGE EARNINGS AND OUTGO:

Year ended 31 st March,	2024 (₹ in Lakhs)	2023 (₹ in Lakhs)
Foreign Exchange Earnings*	620.61	1,315.58
Foreign Exchange Outgo\$	2,744.83	3,642.21

* Exports on FOB basis Includes Direct Export, Merchant Export, SEZ Sales, Deemed Exports against Advance Authorization License
 \$ Import of material and service

ANNEXURE C

1. Brief outline on CSR Policy of the Company.

Diamines and Chemicals Limited (DACL) believes that growth, success and progress of a Company are not reflected only by its bottom-line but also with respect to the social contribution made by the company while achieving its financial goals.

The Corporate Social Responsibility Policy of the Company has been prepared keeping in mind the Company's business ethics and to comply with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.

2. Composition of CSR Committee:

Sr. No.	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
1	Mr. Amit Mehta	Executive Chairman	4	3
2	Mr. G. S. Venkatachalam*	Executive Director	4	4
3	Mr. Rajendra Chhabra	Director	4	4
4	Ms. Kejal Pandya	Director	4	4
5	Mr. Tanmay Godiawala**	Director	-	-

*Mr. G. S. Venkatachalam has tendered his resignation on cessation of his term from the office of Executive Director w.e.f February 07, 2024

** Mr. Tanmay Godiawala was appointed as a Director w.e.f February 06, 2024.

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: <https://www.dacl.co.in/Disclosure.aspx>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any- NA

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
TOTAL			

6. Average net profit of the company as per section 135(5) - ₹ 36,01,14,532/-
7. (a) Two percent of average net profit of the company as per section 135(5) - ₹ 72,02,291/-
 - (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - NIL
 - (c) Amount required to be set off for the financial year, if any -NIL
 - (d) Total CSR obligation for the financial year (7a+7b-7c).- ₹ 72,02,291/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for The Financial Year (in ₹)	Amount Unspent (in ₹)				
	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
72,03,000	-	-	-	-	-

(b) Details of CSR amount spent against **ongoing projects** for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in ₹)	Mode of Implementation Direct (Yes/ No)	Mode of Implementation Through Implementing Agency	
				State	District						Name	CSR Registration number
1.												
2.												
3.												
TOTAL												

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1) Sr No	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project.		(6) Amount spent for the project (in ₹)	(7) Mode of Implementation Direct (Yes/ No)	(8) Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	SAAS based technology for farmer upliftment and Empowering Agri input retailers through SAAS technology	Environment	No	Maharashtra	Pune	25,00,000	No	Decent Foundation	CSR00029690
2.	EES Generator for ICU	Health	Yes	Gujarat	Goraj, Tal. Waghodia, Dist Vadodara	15,00,000	No	Muni Seva Ashram	CSR00004688
3.	Enhance climate-smart cumin cultivation using innovative technology and supporting small holder farmers	Maintaining quality of soil, air, water	No	Rajasthan		20,00,000	No	Villgro Innovations Foundation	CSR00004677
4.	Mushar Integrated Development Project, Bodhgaya, Bihar for treatment of common ailments of the villagers by trained paramedical workers of the trust	Health	No	Bihar		5,00,000	No	Bhansali Trust	CSR00000611
5.	Dang Integrated Development Project, Dist. Dang, Gujarat for treatment of common ailments of the villagers by trained paramedical workers of the trust	Health	No	Gujarat	Dang	5,00,000	No	Tribal Integrated Development & Education Trust	CSR00000609
6.	PM CARES FUND	PM CARES FUND				2,03,000			
TOTAL						72,03,000			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable : NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : 72,03,000

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	72,02,291
(ii)	Total amount spent for the Financial Year	72,03,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	709
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sr. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount Spent in the reporting Financial Year (in ₹)	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 ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
-	-	-	-	-	-	-	-
TOTAL		-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s) : Not Applicable

(1) Sr. No.	(2) Project ID	(3) Name of The Project	(4) Financial Year in which the project was Commenced	(5) Project duration	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reportig Financial Year (in ₹)	(9) Status of the Project Completed/ Ongoing
1.	-	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-	-
TOTAL		-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s). – March 02, 2024

(b) Amount of CSR spent for creation or acquisition of capital asset. - ₹ 15,00,000

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.- Muni Seva Ashram at Goraj, Tal. Waghodia, Dist vadodara

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). – EES Generator to Kailash Cancer Hospital & Research Centre run by Muni Seva Ashram, Goraj, Tal. Waghodia, Dist vadodara

11. 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.

Amit Mehta
Executive Chairman
Chairman of CSR Committee
DIN: 00073907

Date : May 24, 2024
Place : Mumbai

ANNEXURE-D

PARTICULARS OF LOANS/ADVANCE, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Sr. No	Company Name	Date of Making Investment/ Payment	Aggregate Amount of Investment/ Amount of Advance / Loan as on 31.03.2024	Date of Board Approval	Nature of Advance/Loan/ Investment
1.	Aarti Drugs Limited	04.04.2022	9,49,735	04.02.2020	Equity Shares
2.	Alkyl Amines Chemicals Limited	17.03.2020	96,800	04.02.2020	Equity Shares
3.	Atul Limited	14.05.2022	41,44,523	04.02.2020	Equity Shares
4.	Deepak Nitrite Limited	17.03.2020	1,44,87,911	04.02.2020	Equity Shares
5.	GHCL Limited	17.04.2020	7,16,779	04.02.2020	Equity Shares
6.	Gujarat Florochemical Limited	26.12.2022	1,04,11,794	04.02.2020	Equity Shares
7.	Gujarat Narmada Valley Fertilizers & Chemicals Limited	03.06.2021	85,71,316	04.02.2020	Equity Shares
8.	Gujarat State Fertilizers & Chemicals Limited	03.06.2021	17,44,202	04.02.2020	Equity Shares
9.	Infosys Limited	15.04.2021	67,60,395	04.02.2020	Equity Shares
10.	Jubilant Ingrevia Limited	07.10.2021	10,38,996	04.02.2020	Equity Shares
11.	Larson & Turbo Infotech Ltd (LTIMINDTREE Limited)	14.05.2022	62,54,940	04.02.2020	Equity Shares
12.	Epigral Limited (Formally known as Meghmani Fine Chem Limited)	16.06.2021	12,14,441	04.02.2020	Equity Shares
13.	Meghmani Organics Limited	12.05.2020	37,28,136	04.02.2020	Equity Shares
14.	PI Industries Limited	17.03.2020	80,38,706	04.02.2020	Equity Shares
15.	Reliance Industries Limited	17.03.2020	25,60,668	04.02.2020	Equity Shares
16.	Sintex Plastic Technology Limited	08.08.2017	3,59,177	NA	Equity Shares
17.	Syngene International Limited	25.01.2022	17,63,320	04.02.2020	Equity Shares
18.	UPL Limited	17.03.2020	1,04,95,191	04.02.2020	Equity Shares
19.	Vedanta Limited	14.05.2022	30,71,301	04.02.2020	Equity Shares
20.	Jio Financial Services Ltd	Shares Allotted from the scheme of arrangement as on 14.08.2023	-	04.02.2020	Equity Shares
21.	GHCL Textile Limited Shares	Allotted from the scheme of arrangement as on 09.06.2023	-	NA	Equity Shares
	Total		8,64,08,331		
1.	DACL Fine Chem Limited (Wholly Owned Subsidiary)	23.09.2020	20,00,000	07.07.2021	Equity Shares
2.	KLJ Organic diamines Limited (Associate/Joint venture)	15.02.2022	1,75,00,000	29.10.2021	Equity Shares
1.	DACL Fine Chem Limited	17.02.2023	13,25,23,200	06.02.2023	Preference Shares

The Company has given Loan to the Wholly Owned Subsidiary Company ₹ 432.46 Lakhs during FY 2023-24 with interest at the rate 11.70% for Dahej site related activities/other statutory requirements and the Company has given Loan to the Associate/Joint Venture Company ₹ 282.45 Lakhs during FY 2023-24 with interest at the rate 8% for Business Purchase.

Details of the investments and loans made by your Company are also given in the notes to the financial statements (Note no. 5,6 & 12 of Standalone).

For Diamines and Chemicals Limited

Amit Mehta
Executive Chairman
DIN: 00073907

Date : May 24, 2024
Place : Mumbai

ANNEXURE-E

Particulars regarding employees Remuneration

{Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016}

PART – A – Disclosure as per Rule 5 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014

SR.NO.	REQUIRMENTS	DISCLOSURE
I	The ratio of remuneration of each director to the median remuneration of the employees for the financial year.	Mr. Amit Mehta : 46.78 times Mr. G S Venkatachalam* : Upto 06.02.2024
II	The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year	Mr. Amit Mehta (CEO/EC) : (20.08)% Mr. G S Venkatachalam* (CEO/ED): Upto 06.02.2024 Mr. Dipen Ruparelia (CFO) : 21.07% Ms. Hemaxi Pawar (CS) : 10.11%
III	The percentage increase in the median remuneration of the employees in the financial year.	The median remuneration of the employees in FY 2023 was increased by 27.76%
IV	The number of permanent employees on the rolls of the Company	151 as on March 31, 2024
V	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 and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The average percentile increase in the remuneration of employees compared to increase in remuneration of Key Managerial Personnel is in line with bench mark study and the performance of the company over a period of time. There is no exceptional increase in the managerial remuneration.
VI	Affirmation that the remuneration is as per the remuneration policy of the company	We confirm

* Part of the year

There was no other employee drawing remuneration in excess of the limits prescribed under sub rule (2) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in Financial Year 2023-24.

ANNEXURE-F
FORM NO. MR 3

[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]

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2024

To,
The Members,
Diamines and Chemicals Limited
CIN: L24110GJ1976PLC002905
Plot No. 13, PCC Area, P.O. Petrochemicals,
Vadodara – 391350, Gujarat

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Diamines and Chemicals Limited (hereinafter referred to as “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 (hereinafter referred to as “Audit Period”) 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 31st March, 2024 according to the provisions of:

- (i.) The Companies Act, 2013 (hereinafter referred to as the Act) and the rules made thereunder;
- (ii.) The Securities Contract (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii.) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv.) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; *(Not applicable to the Company during Audit Period)*
- (v.) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - (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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended from time to time;

We further report that, there were no actions/events in pursuance of;

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time;
 - (c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 as amended from time to time;
 - (d) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
 - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; requiring compliance thereof by the Company during the financial year under review.
- (vi.) We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations of the Company.

We further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of audit, and also on the review of quarterly compliance reports by respective department heads/Company Secretary/Chief Financial Officer/Executive Director taken on record by the Board of Directors of the Company, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the following laws applicable specifically to the Company;

- (a) The Air (Prevention and Control of Pollution) Act, 1981;
- (b) The Water (Prevention and Control of Pollution) Act, 1974;
- (c) The Environment Protection Act, 1986;
- (d) Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989;
- (e) Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003;

We have also examined compliance with the applicable clauses/regulations of the following, to the extent applicable to the Company during the audit period:

- (i.) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii.) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

We report that, during the year under review, the Company has complied with the provisions of the Acts, rules, regulations and guidelines mentioned above except as mentioned in the Annual Secretarial Compliance report.

We further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory auditor/tax auditor and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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.

As per the minutes of the meetings duly recorded and signed by the respective Chairman of Board of Committee thereof, the decisions of the Board or Committee were unanimous and no dissenting views have been recorded.

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, there were no specific events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Sandip Sheth & Associates

Company Secretaries

Firm Unique Code: P2001GJ041000

UDIN:F005467F000414238

Sandip Sheth

Partner

FCS: 5467

CP No.: 4354

Firm Peer Review Regn. No:- 1427/2021

Place : Ahmedabad
Date : May 24, 2024

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

To,
The Members,
Diamines and Chemicals Limited
CIN: L24110GJ1976PLC002905
Plot No. 13, PCC Area,P.O. Petrochemicals,
Vadodara – 391350, Gujarat

Our report of even date is to be read along with this letter.

1. Maintenance of records, documents, papers maintained pursuant to Companies Act, 2013 and other applicable laws as reported in our report is the responsibility of the management of the Company. Our responsibility is to express an opinion on these records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in the records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company, as the same are being verified by the statutory/tax/internal auditors/Cost auditors from time to time.
4. Where ever required, we have obtained the representations from the Management and respective departmental heads about the Compliance of laws, rules and regulations and happening of events etc. during the audit period.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis, for the purpose of issuing Secretarial Audit Report.
6. The Secretarial Audit is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We conducted our audit in the manner specified under section 204 of the Companies Act, 2013 and Rules made there under, which seeks an opinion and reasonable assurance about the compliance status of various applicable acts and rules to the Company.

Sandip Sheth & Associates

Company Secretaries

Firm Unique Code: P2001GJ041000

UDIN:F005467F000414238

Sandip Sheth

Partner

FCS: 5467

CP No.: 4354

Firm Peer Review Regn No:- 1427/2021

Place : Ahmedabad
Date : May 24, 2024

ANNEXURE - G

CIN: - L24110GJ1976PLC002905

Nominal Capital: - 1,75,500,000/-
Paid-up Capital: - 97,839,900/-

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
M/S. Diamines and Chemicals Ltd.
Plot No. 13, PCC Area, P.O. Petrochemicals,
BARODA-391 350.

We have examined all relevant registers, records, forms and disclosures received from the directors of ***Diamines And Chemicals Limited***, produced before us by the Company for the purpose of certifying compliance of conditions of clause 10 (i) of para C of Schedule V read with Regulation 34(3) of Chapter IV of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 for the year ended on 31st March, 2024. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification. During the course of such certification, we have relied on various informations and declaration furnished by each director of the Company as on 31st March, 2024 and relied on the online information available with Ministry of Corporate Affairs Portal, its filing position and other web pages.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2024, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr No.	Name of Director	Director Identification Number (DIN)	Date of appointment in the Company
1	Mr. Amit Mahendra Mehta	00073907	14/03/2001
2	Mr. Rajendra Surendra Chhabra	00093384	14/03/2001
3	Mr. Dhruv Lalit Mehta	02083226	03/12/2019
4	Mr. Tanmay Naimish Godiawala	07084668	06/02/2024
5	Mr. Ambrish Keshav Dalal	02546506	31/03/2009
6	Ms. Kejal Vipinchandra Pandya	07048046	27/04/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the clause 10 (i) of para C of Schedule V read with Regulation 34(3) of Chapter IV of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 for the year ended on 31st March, 2024.

Sandip Sheth & Associates

Company Secretaries

Firm Unique Code: P2001GJ041000

UDIN:F005467F000414216

Sandip Sheth

Partner

FCS: 5467

CP No.: 4354

Place : Ahmedabad
Date : May 24, 2024

Firm Peer Review Regn No:- 1427/2021

ANNEXURE-H
CORPORATE GOVERNANCE REPORT

Your Company has always followed fair business and corporate practices. The Company believes that good Corporate Governance is a key factor in achieving long-term growth and success and helps build the confidence in the Company's integrity.

BOARD OF DIRECTORS AND ITS COMPOSITION:

As on March 31, 2024, the Board of Directors of the Company comprises of Four (4) Non-Executive Directors and Two (2) Executive Directors and amongst them Three (3) are Independent Directors, who brings in a wide range of skills and experience. The Board Members consists of persons with professional expertise and experience in various fields of Chemicals, Marketing, Finance, Management, Accountancy, etc. and the composition of the Board is in conformity with the amendments in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter referred to as "SEBI (LODR) Regulations, 2015"). The Board members are not inter-se related to each other.

The Chairman of the Board is an Executive Promoter Director with effect from April 01, 2020 and reappointed w.e.f. April 01, 2023. Additionally the Board was reconstituted w.e.f. February 06, 2024 as Mr. G. S. Venkatachalam has ceased to be the Executive Director and has tendered his resignation on cessation of his term from the directorship of the Company with effect from February 07, 2024 and Mr. Tanmay Godiawala was appointed as a Director in the Category of Executive Director with effect from February 06, 2024.

Details of the Composition of the Board of Directors as on March 31, 2024, are as under:

Sr. No.	Name	Designation
1.	Mr. Amit M. Mehta	Executive Chairman
2.	Mr. Tanmay Godiawala	Director (From February 06, 2024)*
3.	Mr. Rajendra Chhabra	Non-Executive Non Independent Director
4.	Dr. Ambrish Dalal	Non-Executive Independent Director
5.	Mr. Dhruv Mehta	Non-Executive Independent Director
6.	Mrs. Kejal Pandya	Non-Executive Independent Director

* Mr. Tanmay Godiawala was appointed as a Director in the Category of Executive Director w.e.f February 06, 2024.

RESPONSIBILITIES OF BOARD OF DIRECTORS:

The Board has a variety of matters related to the operations of the Company for its consideration and decision, which includes reviewing corporate performance, ensuring adequate availability of financial resources and reporting to Shareholders. During the year under review, the Board met Four (4) times. The maximum gap between any two meetings was not more than one hundred and twenty (120) days or any extension provided by SEBI/MCA.

The Board of Directors ensures that their other responsibilities do not materially impact their responsibility as Directors of the Company. The Company has not entered into any materially significant transactions with its Directors or their relatives, etc. which affects the interest of the Company.

ROLE OF INDEPENDENT DIRECTORS:

The Independent Directors play an important role in deliberations at the Board Meetings and bring to the Company their wide experience in the fields of Chemicals, Technology, Management, Finance, Accountancy, etc.

SEPARATE MEETINGS OF THE INDEPENDENT DIRECTORS:

In accordance with the provisions of Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors was held during the year on Tuesday, February 06, 2024 without the attendance of non-independent Directors and members of management, inter alia to:

- a. Review the performance of the non-independent Directors and the Board as a whole;
- b. Review the performance of the Chairman of the Company, taking into account the views of the executive directors and non-executive directors of the Company;
- c. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting was attended by all the independent directors. Mrs. Kejal Pandya, who is an Independent Director, was the Chairperson of the meeting of Independent Directors. The Independent Directors discussed matters pertaining to the Company's affairs and functioning of the Board and presented their views to the Executive Director for appropriate action.

TENURE OF BOARD OF DIRECTORS:

As per the provisions under section 152 of the Companies Act, 2013 and the Companies (Appointment and qualifications of Directors) Rules, 2014 as amended from time to time, every year one third (1/3) of the total strength of the Board, is liable to retire by rotation. The Directors, who are required to retire every year and if eligible, they qualify for re-appointment.

Mr. Amit Mehta, Executive Chairman of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

BOARD MEETINGS:

The meetings of the Board of Directors are held through Video Conferencing (VC)/Other Audio Visual Means (OAVM). Meetings are scheduled well in advance. The Board meets at regular intervals to review the quarterly performance and the financial results of the Company. The Members of the Board have access to all information on the Company and are free to recommend inclusion of any matter in the agenda for discussion. Senior Management persons are also invited to attend the Board meetings and provide clarifications as and when required.

During the year under review, Four (4) Board Meetings were held respectively on May 08, 2023, August 04, 2023, November 07, 2023, and February 06, 2024. Details of attendance at the Board Meetings and Annual General Meeting for each Director along with their other Directorships are as stated herein below:

Sr. No.	Name of the Director	DIN	Category of Directorship	No. of Board Meetings attended	Attended last AGM held on 21/06/2023
1	Mr. Amit M. Mehta	00073907	Chairman-ED/PD	4/4	Yes
2	Mr. G. S. Venkatachalam*	02205898	ED	4/4	Yes
3.	Mr. Rajendra Chhabra	00093384	NED	4/4	Yes
4.	Mr. Dhruv Mehta	02083226	NED-I	3/4	Yes
5.	Dr. Ambrish Dalal	02546506	NED-I	4/4	Yes
6.	Mrs. Kejal Pandya	07048046	NED-I	4/4	Yes

ED-Executive Director

NED-Non-Executive Director

NED-I-Non-Executive & Independent Director

PD-Promoter Director

*Mr. G. S. Venkatachalam has tendered his resignation on cessation of his term from the office of the Executive Director w.e.f February 07, 2024.

Mr. Tanmay Godiawala was appointed as a Director in the Category of Executive Director w.e.f February 06, 2024.

The Chairman is Promoter and Executive Director, and hence half of the board consists of Independent Directors.

Details of Number of Directorships in other Bodies Corporate and Chairmanship(s)/ Membership(s) held in Committees of Public Limited Companies as on 31.03.2024:

Name of the Director(s)	No. of Directorships in other Companies (Excluding Private Company, Section 8 and One person Company) *	No. of Chairmanship(s) and Membership(s) of Committees of Public Ltd. Cos. Including DACL**	
		Chairmanship in Committees in which Directors are Members	Memberships in Committees of Companies in which they hold Directorships
Mr. Amit M. Mehta	03	-	01
Mr. Tanmay Godiawala (w.e.f. 06.02.2024)	01	-	-
Mr. Rajendra Chhabra	01	01	01
Dr. Ambrish Dalal	-	-	02
Mr. Dhruv Mehta	02	01	01
Mrs. Kejal Pandya	-	-	02

* Excluding Diamines and Chemicals Limited.

** The committees mentioned above include only Audit Committee, Stakeholders Relationship Committee.

None of the Directors of the Company was a member of more than ten Committees of Boards as stipulated under Regulation 26(1) of the SEBI (LODR), Regulations, 2015 nor was a Chairman of more than five such committees across all Companies in which he was a director.

BOARD COMMITTEES:

To enable better and more focused attention on the affairs of the Company, the Board has appointed the following Committees:

Audit Committee:

The Company has an adequately qualified Audit Committee and its composition meets the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015. The Audit Committee was formed on March 14, 2001. The quorum of the said Audit Committee Meetings is 2 (Two) members or one third (1/3) of the members of the Audit Committee, whichever is greater, with at least two independent directors.

The composition of the Audit Committee as on March 31, 2024 is as stated below:

Name	Designation	Category
Mr. Dhruv Mehta	Chairman	Non-Executive & Independent Director
Mr. Rajendra Chhabra	Member	Non-Executive & Non Independent Director
Dr. Ambrish Dalal	Member	Non-Executive & Independent Director
Mrs. Kejal Pandya	Member	Non-Executive & Independent Director

The terms of the reference of the Audit Committee include approving and implementing the audit procedures and techniques, reviewing the financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines as amended from time to time.

The Executive Director, Chief Financial Officer (CFO) and Internal Auditor are permanent invitees to the Committee Meetings. The Statutory Auditors are also invited to attend the Meetings. The Company Secretary acts as the Secretary of the Audit Committee.

The Committee members are paid a sitting fee as decided by the Board from time to time for each meeting attended by them.

Meetings and attendance during the year:

The details of attendance of the Members at these Audit Committee Meetings are as follows:

Member	Attendance at Audit Committee Meetings held on:			
	08.05.2023	03.08.2023	06.11.2023	05.02.2024
Mr. Dhruv Mehta	Yes	Yes	Yes	Yes
Mr. Rajendra Chhabra	Yes	Yes	Yes	Yes
Dr. Ambrish Dalal	Yes	No	Yes	Yes
Mrs. Kejal Pandya	Yes	Yes	Yes	Yes

The Minutes of Audit Committee Meetings are noted by the Board of Directors at the Board Meetings. The past Chairman of the Audit Committee was present at the 47th Annual General Meeting held on June 21, 2023.

Stakeholders Relationship Committee of Directors:

As on March 31, 2024, Stakeholders Relationship Committee comprises of Four (4) members in that one (1) Executive, one (1) Non-Executive Director and two (2) are Non-Executive & Independent Director of the Company.

Mr. Rajendra Chhabra who is Non-executive Director chairs the Meetings. During the year under review, the Committee met as and when required.

A summary of various complaints received and cleared by the Company during the year is given below:

Nature of Complaint	Received	Cleared
Non-receipt of Dividend Warrant	Nil	Nil
Non-receipt of Share Certificates	Nil	Nil
SEBI/Stock Exchange Letter/ROC	14	14
Miscellaneous	Nil	Nil
Total	14	14

Normally all complaints/queries are disposed-off expeditiously. The Company had no complaint pending at the close of the financial year.

The Committee considers and resolves the grievances of the security holders of the Company including complaints related to transfer of Demat shares, non-receipt of balance sheet and non-receipt of declared dividends. The present composition of the Committee is as follows:

Name of the Director	Executive / Non-Executive
Mr. Rajendra Chhabra	Non-Executive & Non Independent Director
Mr. Amit M Mehta	Executive Chairman
Dr. Ambrish Dalal	Non-Executive & Independent Director
Mrs. Kejal Pandya	Non-Executive & Independent Director

Company Secretary of the Company acts as a Secretary to the Committee.

Nomination and Remuneration Committee:

The erstwhile Remuneration Committee is reconstituted as Nomination and Remuneration Committee, as per the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015. The Company has adopted a Remuneration Policy for its Directors, Key Managerial Personnel and other employees. The Remuneration Policy has laid down the criteria for determining qualifications, positive attributes, independence of Director and Board diversity. The Policy lays down the factors for determining remuneration of Whole-time Directors, Non-Executive Directors, Key Managerial Personnel and other employees. The policy also lays down the evaluation criteria of the Independent Directors and the Board. The policy has revised on December 03, 2019.

At present, the Nomination and Remuneration Committee consists of Dr. Ambrish Dalal, Chairman, Mr. Rajendra Chhabra and Mr. Dhruv Mehta, whose function is to approve remuneration policy of Directors. The nomination and remuneration committee meetings were held on May 08, 2023, August 03, 2023, and February 05, 2024.

The link of Nomination and Remuneration policy is <https://www.dacl.co.in/pdf/investors/Nomination-Remuneration-Policy-03-12-2019-new.pdf>

Details of remuneration paid to the Executive Director(s) for the financial year 2023 – 2024.

(₹ In Lakhs)

Name of Director	Designation	Salary & Allowance	Perquisite	Commission	Total
Mr. Amit Mehta	Executive Chairman	94.56	3.36	35.13	133.05
Mr. G. S. Venkatachalam*	Executive Director	47.87	2.73	15.44	66.04
Mr. Tanmay Godiawala**	Director	5.62	0.70	0	6.32

Commission is payable for the Financial Year 2023-24.

*Mr. G. S. Venkatachalam has tendered his resignation on cessation of his term from the office of Executive Director w.e.f February 07, 2024

**Mr. Tanmay Godiawala was appointed as a Director w.e.f February 06, 2024.

REMUNERATION PAID/PAYABLE TO NON-EXECUTIVE DIRECTORS:

The remuneration paid to non-executive Directors for the year from 01.04.2023 to 31.03.2024 is as under:

(₹ in lakhs)

Name	Remuneration	Sitting Fee	Commission	Total
Mr. Rajendra Chhabra	12.00	3.24	3.40	18.64
Dr. Ambrish Dalal	Nil	2.23	1.36	3.59
Mr. Dhruv Mehta	Nil	2.30	1.36	3.66
Mrs. Kejal Pandya	Nil	2.64	1.36	4.00

- Commission is payable for the Financial Year 2023-24.
- Remuneration includes professional fees (Gross). The Company has stock option scheme but not applicable to non-executive Directors during the year.

No. of shares held by the Non – Executive Directors of the Company as on 31.03.2024:

Sr.No.	Name	No. of Equity Shares Held
1.	Mr. Rajendra Chhabra	18,300
2.	Dr. Ambrish Dalal	26,200
3.	Mr. Dhruv Mehta	45,000
4.	Mrs. Kejal Pandya	0

Corporate Social Responsibility Committee:

The Composition of the Corporate Social Responsibility Committee and details of meetings attended by the Members of the Corporate Social Responsibility Committee during the financial year 2023-2024 are given below:

Name	Position in Committee	Category	No. of Meetings Held	No. of Meetings Attended
Mr. Amit Mehta	Chairman	Executive Chairman	3	3
Mr. G. S. Venkatachalam*	Member	Executive Director	3	3
Mr. Tanmay Godiawala **	Member	Director	NA	NA
Mr. Rajendra Chhabra	Member	Non-Executive Director	3	3
Mrs. Kejal Pandya	Member	Non-Executive Independent Director	3	3

*Mr. G. S. Venkatachalam has tendered his resignation on cessation of his term from the office of Executive Director w.e.f February 07, 2024

** Mr. Tanmay Godiawala was appointed as a Director w.e.f February 06, 2024.

Formation of CSR Committee:

The Board in its meeting held on April 28, 2018, formulated and adopted Corporate Social Responsibility (CSR) Policy and composed / formed Corporate Social Responsibility (CSR) Committee to determine the scope, applicability and determine of the Corporate Social Responsibility Expenditure. The Committee was reconstituted w.e.f. February 06, 2024 in the F.Y 2023-24.

Terms of Reference:

The Committee is primarily responsible for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR activities.

CSR Policy

The Company has formulated CSR Policy and the same is available at the website of the Company at <https://www.dacl.co.in/pdf/investors/CSR.pdf>

Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee.

Project Investment Finance Committee (PIF Committee):

The company is having practice to proceed with necessary approvals for the spending more than ₹ 25000 in nature of major repairs or acquisition / construction of new assets as per SOP mentioned in CAPITAL EXPENDITURE (CE) PROJECT and HIGH VALUE REPAIR (HVR) [CAPEX Committee policy] by way of Two type of Forms of Approvals (i) Capital Expenditure Approval Report (CEAR) (ii) High Value Repair Approval Report (HVRAR).

The Board in its meeting held on 11th May, 2022 approved this PROJECT INVESTMENT FINANCE COMMITTEE POLICY (PIF Policy) for all the major Project Investment and Finance transaction (single in nature) having value upto ₹ 20 Crores. Any single transaction more than ₹ 20 Crore or which requires mandatory approval of the Board and Committee even though below approved limit of ₹ 20 Crores, can be processed as per the applicable provisions of the Companies Act, SEBI Listing regulations and other applicable provisions.

The purpose of the Project Investment and Finance Committee is to ensure that all major project, investment and Finance expenditure is supported by a quality proposal, strategic objectives and financial competitiveness & sustainability.

Formation of Committee:

Formation of Committee is advised to be with 3 or more Directors and atleast one should be Independent Director of the Board, so following are member of Committee with immediate effect. Audit Committee Chairman should be Chairman of PIF Committee. The Committee was reconstituted w.e.f. February 06, 2024 as below:

Sr. No.	Name of Committee Member	Category
1	Mr. Dhruv Mehta	Non-Executive - Independent Director, Chairperson
2	Mr. Amit Mehta	Executive Chairman, Member
3	Mr. G S Venkatachalam*	Executive Director, Member
4	Mr. Tanmay Godiawala**	Director, Member

*Mr. G. S. Venkatachalam has tendered his resignation on cessation of his term from the office of Executive Director w.e.f February 07, 2024.

** Mr. Tanmay Godiawala was appointed as a Director w.e.f February 06, 2024.

- VP-manufacturing and CFO will be permanent Invitee of the Committee meeting.

During the year, there was no Committee meeting held.

DISCLOSURES:

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (LODR) Regulations, 2015 during the financial year were in the ordinary course of business and on arm's length basis and do not attract provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year that may have

potential conflict with the interests of the Company at Related party transactions have been disclosed in Note 40 to the financial statements. A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit Committee for its review. Segment Reporting as per Ind As-108 applicable to the Company is given in note No. 39.

Material Subsidiaries: The Company does not have a material subsidiary as defined under Regulation 16(1)(c) SEBI (LODR) Regulations, 2015.

CEO/CFO Certification: A certification from the CEO and CFO in terms of Regulation 33(2) (a) of SEBI (LODR) Regulations, 2015 was placed before the Board Meeting held on May 24, 2024 to approve the Audited Annual Accounts for the year ended March 31, 2024.

REGULATORY COMPLIANCES:

The Company has complied with all the requirements of regulatory authorities on capital markets and no penalties, strictures have been imposed against it by the Stock Exchange or SEBI or any other regulatory authorities for the time being in force.

POLICES:

Related party Transaction policy

Your company has formulated Related Party Transaction policy (RPT) as per applicable provisions of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 as amended, to disclose materiality of related party transactions and dealing with related party transactions to be entered into by individual or taken together with previous transaction during a financial year.

The detail of establishment of such updated policy is disclosed on the company's website at https://www.dacl.co.in/pdf/investors/RPT_Policy.pdf

MEANS OF COMMUNICATION:

The Company has more than Fifteen Thousand (15,000) shareholders. The main source of information to the Shareholders is Annual Report of the Company, which includes *inter-alia*, the Report of the Board of Directors, Operational and Financial Review and the Audited Financial Results. Shareholders are also informed through press publication about the quarterly financial performance of the Company.

Quarterly results of the Company have been announced within a period of Forty-five (45) days of the respective quarter. Whenever, the audited results are published for the fourth quarter, they are announced within Sixty (60) days of the quarter as prescribed.

Quarterly, Half Yearly and Annual Financial Results are published in the Business Standard - Ahmedabad (in English language) and in Vadodara Samachar (Regional Language) newspapers. These results are also immediately posted on the website of the Company at www.dacl.co.in.

GENERAL SHAREHOLDER INFORMATION:

1. Book Closure Date	July 17, 2024 to July 23, 2024 (both days inclusive)
2. Date, Time and Venue of the 48 th Annual General Meeting	July 23, 2024 at 11.00 A.M. at the Registered office of the Company
3. Listing on Stock Exchange	BSE Limited, 25 th Floor, P. J. Towers, Dalal Street, Mumbai 400 001. Tel: 022 – 2272 1233 / 34. Fax: 022 –2272 1919. (Scrip code: 500120) NSE of India Limited Exchange (listed on 25.09.2023) Exchange Plaza, C-1, Block G,Bandra — Kurla Complex, Bandra (E) Mumbai — 4500051 Tel: 022 2659 8100/2659 8114/6641 8100 Fax: 022 2659 8120 (Symbol: DIAMINESQ)
4. Listing Fees	Paid to the above Stock Exchange for the Financial Year 2023 – 2024.

5. Registered Office /Plant location and address for correspondence	Plot No. 13, PCC Area, P. O. Petrochemicals, Vadodara – 391 350. Tel: 0265 – 3534200 e-mail: info@dacl.co.in, Website: www.dacl.co.in
6. Place where Share Transfers are to be lodged:	In view of the SEBI circular, every listed company is required to appoint one common agency for handling both Physical & Demat related services in respect of its shares. Following are the details for the Shareholders: M/s Link Intime India Pvt. Ltd. "Geetakunj" 1 Bhakti Nagar Society, Behind ABS Tower, old Padra Road, Vadodara - 390 015 Gujarat, India. Tel. No.: 0265 3566768 E-mail : Vadodara@inkintime.co.in
7. International Securities Identification Number (ISIN)	INE 591D01014
8. Compliance Officer	Ms. Hemaxi Pawar Tel no: 0265 3534200 e-mail: secretarial@dacl.co.in
9. Date, Time and Venue for the last 3 (Three) AGM/EGM/Postal ballot	<p>47th AGM – June 21, 2023 at 01.00 noon held at the Registered office of the Company</p> <p>46th AGM – June 28, 2022 at 12.00 noon held at the Registered office of the Company</p> <p>45th AGM – July 20, 2021 at 12.00 noon held through VC/OAVM Postal Ballot 01/2023-24 - During the year, postal ballot notice for passing special resolution for</p> <ol style="list-style-type: none"> 1. Reappointment of Mr. Rajendra Chhabra as a Non-Executive Director in the category of professional Director 2. To approve payment of remuneration of Mr. Rajendra Chhabra as Non-Executive Director in the category of Professional Director exceeding fifty per cent of the total Remuneration/compensation/fees payable to all the Non-Executive Director of the Company for the financial year 2023-24 3. To approve payment of remuneration of Mr. Rajendra Chhabra as Non-Executive Director in the category of Professional Director exceeding fifty per cent of the total Remuneration/compensation/fees payable to all the Non-Executive Director of the Company for the financial year 2024-25, was circulated to the Members on August 17, 2023 and passed the same with special majority on September 21, 2023. <p>Postal Ballot 02/2023-24 - During the year, postal ballot notice for passing special resolution for</p> <ol style="list-style-type: none"> 1. Appointment of Mr. Tanmay Godiawala (DIN: 07084668) as a Director, 2. Revision in Remuneration of Mr. Amit Mehta (DIN: 00073907) Executive Chairman of the Company, was circulated to the Members on February 27, 2024 and passed the same with special majority on March 30, 2024.

10. Special Resolutions passed	<p>47th AGM – 3 Special Resolutions were passed</p> <p>46th AGM – 2 Special Resolutions were passed</p> <p>45th AGM- 8 Special Resolutions were passed</p> <p>Postal ballot- 3 Special Resolutions were proposed during the year and passed by way of Postal ballot on September 21, 2023 and scrutinizer’s report on e-voting was given by M/s Sandip Sheth and Associates on September 22, 2023.</p> <p>Postal ballot- 2 Special Resolutions were proposed during the year and passed by way of Postal ballot on March 30, 2024 and scrutinizer’s report on e-voting was given by M/s Sandip Sheth and Associates on April 01, 2024</p>
11. Closing Price of the Company’s Shares on March 31, 2024. Bombay Stock Exchange Ltd. (BSE) National Stock Exchange (NSE)	<p>₹ 503.30/-</p> <p>₹ 506.85/-</p>
12. Financial Year	1 st April to 31 st March each year.
13. Dividend declared for current and earlier years	<p>2023-24 - 25% (Final)</p> <p>2022-23 - 30% (Final)</p> <p>2022-23 - 30% (Interim)</p> <p>2021-22 - 30%</p> <p>2020-21 - 50%</p> <p>2019-20 - 40% (Final)</p> <p>2019-20 - 40% (Interim)</p> <p>2018-19 - 20% (Final)</p> <p>2018-19 - 30% (Interim)</p> <p>2017-18 - 25%</p> <p>2016 -17- 15%</p>
14. Trading in Shares (Electronic Form) on Stock Exchange	SEBI has made trading in the Company’s Shares compulsory in electronic form for all categories of Investors.

MARKET PRICE DATA:

High and low during each month in the last financial year:

Sr.No.	Month	Bombay Stock Exchange, Mumbai		National Stock Exchange, Mumbai	
		High (₹)	Low (₹)	High (₹)	Low (₹)
1	April, 2023	524.00	402.00	NA	NA
2.	May, 2023	686.75	487.00	NA	NA
3.	June, 2023	680.00	612.00	NA	NA
4.	July, 2023	639.00	520.00	NA	NA
5.	August, 2023	599.90	465.00	NA	NA
6.	September, 2023	564.25	476.00	545.00	521.00
7.	October, 2023	540.00	458.00	540.00	456.10
8.	November, 2023	540.40	446.70	537.70	446.10
9.	December, 2023	586.35	480.20	588.30	479.40
10.	January, 2024	568.00	497.15	562.00	497.70
11.	February, 2024	571.65	445.95	570.00	452.30
12.	March, 2024	628.50	500.00	630.00	496.10

DISTRIBUTION OF SHAREHOLDING: (as on March 31, 2024)

Shareholding of nominal value ₹	Shareholders		Share Amount	
	Number	% of total	₹	% of total
(1)	(2)	(3)	(4)	(5)
Upto - 500	14950	94.07	11202160	11.45
501 - 1,000	462	2.91	3565030	3.64
1,001 - 2,000	204	1.28	2965680	3.03
2,001 - 3,000	87	0.55	2221850	2.27
3,001 - 4,000	43	0.27	1523460	1.56
4,001 - 5000	32	0.20	1468260	1.50
5,001 - 10,000	39	0.25	2711490	2.77
Above 10,000	75	0.47	72181970	73.78
TOTAL	15892	100.00	97839900	100.00

SHAREHOLDING PATTERN: (as on March 31, 2024)

Sr. No.	Category	No. of Shares Held	% of total Shares
1	Promoters & Persons acting in concert	5368010	54.87
2	Mutual Funds/Banks & FI's/ Insurance Co.	3537	0.04
3	Foreign Portfolio Investors Category I	4169	0.04
4	Central Govt/State Govt/POI	-	-
5	Other Corporate Bodies	117157	1.20
6	Public	3780238	38.64
7	NRI's	62372	0.64
8	Directors and their relatives (excluding Independent Directors and nominee Directors)	43665	0.45
9	Key Managerial Personnel	11	0.00
10	Investor Education and Protection Fund (IEPF)	150203	1.53
11	Any Other (LLP, HUF, Unclaimed shares, Clearing Members, Other Directors / Relatives)	254628	2.60
	TOTAL	9783990	100.00%

DEMATERIALISATION OF SHARES: (as on March 31, 2024)

Particulars	No. of Equity Shares	% to Share Capital
NSDL	77,60,708	79.32
CDSL	18,14,371	18.54
Physical	2,08,911	2.14
TOTAL	97,83,990	100%

Details of Plant Locations/Address of Correspondence:

Plot No. 13, PCC Area, P. O. Petrochemicals, Vadodara – 391 350.

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on Equity:

The Company has not issued any of these instruments.

The names of the listed entities where the person is a director and the category of directorship

Director Name	Details as on March 31, 2024 (Excluding Diamines and Chemicals Limited)	
	Name of listed entities where the person is a director	Category of Directorship
Mr. Amit Mehta	-	-
Mr. Tanmay Godiwala (w.e.f. February 06, 2024)	-	-
Mr. Rajendra Chhabra	-	-
Dr. Amrish Dalal	-	-
Mr. Dhruv Mehta	Shriram Asset Management Company Limited	Non-Executive Non Independent Director
Mrs. Kejal Pandya	-	-

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Financial	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation and financial reporting processes.
Global Business	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures and regulatory frameworks, and a board perspective on global market opportunities.
Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organisations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.
Board Service and Governance	Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.
Sales and Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation

Directors having skills/expertise/ competencies fundamental for the effective functioning of the Company (as on March 31, 2024)

Name of Director	skills/expertise/competencies
Mr. Amit Mehta	Global Business, Leadership, Sales and Marketing
Mr. Tanmay Godiwala (w.e.f. February 06, 2024)	Board Service and Governance, Sales and Marketing
Mr. Rajendra Chhabra	Financial, Board Service and Governance
Dr. Amrish Dalal	Financial, Board Service and Governance
Mr. Dhruv Mehta	Financial, Board Service and Governance
Mrs. Kejal Pandya	Financial, Board Service and Governance

Confirmation that in the opinion of the board that the independent directors fulfill the conditions specified in LODR regulations and are independent of the management.

Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided- Not Applicable

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- Not Applicable

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). – Not Applicable

A 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 companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is attached herewith as “**Annexure G**”.

The Company has paid fees for all services on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. number of complaints filed during the financial year - Nil
- b. number of complaints disposed of during the financial year - Nil
- c. number of complaints pending as on end of the financial year - Nil

Non-mandatory disclosures/requirements:

- **Reporting of Internal Auditor:** Internal Auditor of the Company is reporting directly to the Audit Committee on quarterly basis.
- The Company has in place a Whistle Blower Policy through which Directors, Employees and other Stakeholders may report their genuine concerns or grievances. The Whistle Blower Policy was reviewed and updated by the Audit Committee and the Board during the FY 2021-22. The Whistle Blower Policy of the Company has been disclosed on the website of the Company at https://www.dacl.co.in/pdf/investors/Whistle_blower_policy-DACL.pdf No personnel have been denied access to the Audit Committee to report its genuine concerns or grievances.
- The Risk Management Policy as required by Listing Regulations is Not Applicable to the Company.
- The Company has adopted a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and Code of Conduct for fair disclosures pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 and also adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information under SEBI (Prohibition of Insider Trading) (Amendments) Regulations, 2018.

As required by Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto, the Board of Directors has approved the Policy for Preservation of Documents and Archival Policy and the same is available at the website of the Company at www.dacl.co.in

For Diamines and Chemicals Limited

Date : May 24, 2024
Place : Mumbai

Amit Mehta
Executive Chairman
DIN: 00073907

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members of
M/s. DIAMINES AND CHEMICALS LIMITED
Plot No. 13, PCC Area,
P. O. Petrochemicals,
Vadodara - 391350

We have examined all relevant records of ***Diamines and Chemicals Limited*** for the purpose of certifying compliance of conditions of Corporate Governance, para C of Schedule V read with Regulation 34(3) of Chapter IV of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, for the financial year ended on 31st March, 2024. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. This certificate is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced, explanation and information furnished, We certify that the Company has complied with all the mandatory conditions of the para C of Schedule V read with Regulation 34(3) of Chapter IV of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, except as reported by the Secretarial Auditor in his respective report, if any.

Sandip Sheth & Associates

Company Secretaries

Firm Unique Code: P2001GJ041000

UDIN:F005467F000414172

Sandip Sheth

Partner

FCS: 5467

CP No.: 4354

Firm Peer Review Regn No:- 1427/2021

Place : Ahmedabad
Date : May 24, 2024

ANNEXURE - I

FORM AOC-I

Statement of salient features of the financial statement of subsidiary / associate companies / joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part A: Subsidiary

Information in respect of each subsidiary to be presented with amounts

(₹ In Lakhs)

Name of Subsidiary	DACL Fine Chem Limited	
	2023-24	2022-23
Financial Year/Period	2023-24	2022-23
Country of Incorporation	India	India
Date of Incorporation	30/07/2020	30/07/2020
Percentage of shareholding (by Holding Company)	100%	100%
Reporting Currency	INR	INR
Share Capital	20.00	20.00
Other Equity	1018.54	1213.98
Liabilities	528.52	96.95
Total Liabilities	528.52	96.95
Total Assets	1567.05	1,330.93
Investments	-	-
Turnover	5.13	-
Profit/(Loss) Before Taxation	(195.45)	(23.44)
Provision for Taxation	-	-
Profit/(Loss) After Taxation	(195.45)	(23.44)
Proposed Dividend	-	-
% of shareholding	100%	100%

Note:

1. The above mentioned Wholly Owned subsidiary commenced its commercial production on March 01, 2024.
2. During previous year 2022-23, Industrial Plot (leasehold land & Building) situated at Dahej was transferred to Wholly Owned Subsidiary by the company and received 1% non-cumulative optionally Convertible Redeemable Preference shares (series A 6626160 & Series B 6626160 at ₹ 10 each) on right basis towards sale consideration.

Part B : Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associates/Joint Ventures	M/s KLJ Organic Diamines Limited	
1.	Latest audited Balance Sheet Date	March 31, 2024	
2.	Shares of Associate/Joint Ventures held by the company on the year end		
	No. of Shares	17,50,000	
	Amount of Investment in Associates/Joint Venture (in ₹)	1,75,00,000	
	Extend of Holding %	35%	
3.	Description of how there is significant influence	Shareholding ratio is 35%	
4.	Reason why the associate/joint venture is not consolidated	Consolidated (Current Year)	Consolidated (Previous Year)
5.	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in lakhs)	0 (Please see note)	0.09 (Please see note)
6.	Profit/Loss for the year (₹ in lakhs)		
	i. Considered in Consolidation	1547.05	4190.71
	ii. Not Considered in Consolidation	-	-

Note:

1. The Company was incorporated on December 15, 2021 as Associate/Joint Venture Company, having shareholding of 35% which is yet to commence operations.
2. Effect of Associates/Joint Venture share of profit/(Loss) is given in Other comprehensive income part of consolidated financial statement.
3. Investment is recorded using Equity method, being a part of consolidated financial statement

For and on behalf of the Board of Directors

Date : May 24, 2024
Place : Mumbai

Amit Mehta
Executive Chairman
DIN: 00073907

ANNEXURE – J

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

- 1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable**
- 2. Details of material contracts or arrangement or transactions at arm's length basis**

(₹ In Lakhs)

Sr. No.	Name of Related Party and Nature of Relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Terms of the contracts/ arrangements / transactions	Value of contracts / arrangements / transactions	Date(s) of approval by the Board
1	DACL Fine Chem Limited (Wholly Owned Subsidiary)	Loan to Wholly Owned Subsidiary	Long term	As per Mutually Agreed terms	432.46	08/05/2023
2	KLJ Organic Diamines Limited (Associate/ Joint Venture Company)	Loan to Associate/ Joint Venture Company	Long term	As per Mutually Agreed terms	282.45	29/10/2021

For and on behalf of the Board of Directors
Amit Mehta

Place : Mumbai
Date : May 24, 2024

Executive Chairman
DIN: 00073907

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND
SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF
CONDUCT**

This is to confirm that Company has adopted a Code of Conduct for its employees. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors. Both these codes are available on the Company's website.

I confirm that the Company has, in respect of the financial year ended on March 31, 2024, received from the Senior Management team of the Company and the members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management team means the Chief Financial Officer and employees in the General Manager cadre and above as on March 31, 2024.

For Diamines and Chemicals Limited
Sd/-

Amit Mehta
Executive Chairman
DIN: 00073907

Place : Mumbai
Date : May 24, 2024

INDEPENDENT AUDITOR’S REPORT

To the Members of
Diamines and Chemicals Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Diamines and Chemicals Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss including Other Comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors’ Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules made 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
1	<p>Litigations and claims (Refer to note 36(A) to the standalone financial statements)</p> <p>The cases are pending with multiple tax authorities like Income Tax, Excise/Service Tax and Provident Fund Authority etc.</p> <p>In normal course of business, financial exposures may arise from pending proceedings and from litigation and claims. Whether a claim needs to be recognised as liability or disclosed as contingent liability in the standalone financial statements is</p>	<p>Our audit procedures, inter alia, included the following:</p> <ul style="list-style-type: none"> · Evaluation of management’s judgment of tax risks, estimates of tax exposures, other claims and contingencies. Past and current experience with the tax authorities and management’s response on the subject matter were used to assess the appropriateness of management’s best estimate of the most likely outcome of each uncertain contingent liability. · Understanding the current status of the tax assessments & other litigations and discussing selected matters with the entity’s management.

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
	<p>dependent on number of significant assumptions and judgments. The amounts involved are potentially significant and determining the amount, if any, to be recognised or disclosed in the standalone financial statements, is inherently subjective.</p> <p>We considered the above area as a key audit matter due to associated uncertainty related to the outcome of these matters and application of material judgement in interpretation of law.</p>	<ul style="list-style-type: none"> · Assessing the entity's assumptions and estimates in respect of claims, included in the contingent liabilities disclosed in the standalone financial statements. · Assessment of the probability of negative result of litigation and the reliability of estimates of related obligations. <p>Conclusion:</p> <p>Based on procedure described above, we did not identify any material exceptions relating to management's assertions, and treatment, presentation and disclosure of the subject matter in the standalone financial statements.</p>

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis/ Corporate Governance Report and Shareholder's Information but does not include the standalone financial statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

Our opinion on the standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IndAS) prescribed under section 133 of the Act. 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 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 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 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 is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 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 with reference to standalone financial statements 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 auditors' report to the related disclosures in the standalone 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 auditors' 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters 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 "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 purposes 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, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act;
 - e. on the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
 - g. with respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
 - h. with respect to the other matters to be included in the Auditors' 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 financial statements— Refer Note 36(A) to the standalone financial statements;
 - ii. the Company did not have any long term contracts including derivative contracts as at March 31, 2024 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. (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, 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;
 - (b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the

Company from any person or entity, including foreign entity ("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;

- (c) Based on the audit procedures 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) as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note 15 (iii) to the standalone financial statements
 - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
 - (b) The Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail facility has been operating throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from the period April 1, 2023 reporting under Rule 11(g) of the Companies Act (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ending March 31, 2024.

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Shripal Shah
Partner
Membership No. 114988
UDIN: 24114988BKALZQ5296

Place : Vadodara
Date : May 24, 2024

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

The annexure referred to in our Independent Auditors’ Report to the members of **Diamines and Chemicals Limited** (“the Company”) on the standalone financial statements for the year ended March 31, 2024, we report that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment including, Right of use assets.
 (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The Company has a regular program of physical verification of property, plant and equipment which in our opinion is reasonable. The assets which were to be covered as per the said program have been physically verified by the management during the year. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title/ lease deeds of all the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) The Company has not revalued its PPE (including Right of Use Assets) or intangible assets or both during the year, and hence reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) In our opinion and according to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion the coverage and procedure of such verification by the management is appropriate and discrepancies noticed were not in excess of 10% or more in aggregate for each class of inventory and same have been properly dealt with in the books of account.
- (b) According to the information and explanations given to us, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the Company.
- iii. In respect of Investments made, guarantee or security provided or grant of loans and advances in the nature of loans, secured or unsecured to companies, firms, Limited liability partnerships or any other parties :
 (a) In our opinion and according to the information and explanations given to us, the Company has granted loans or provided advances in the nature of loans during the year to the following entities:

(A) Particulars	Loans
Aggregate amount granted/provided during the year:	
- Subsidiary	₹ 400.79 Lakhs
- Associate	₹ 70.27 Lakhs
Balance outstanding as at balance sheet date in respect of above cases:-	
- Subsidiary	₹ 415.79 Lakhs
- Associate	₹ 256.68 Lakhs

The Company has not provided any guarantee or security to any entity during the year

- (b) In our opinion and according to the information and explanations given to us, the terms and conditions on which the loans and advances have been granted are not prima facie prejudicial to the interest of the Company.

- (c) In respect of loans granted by the Company to its subsidiary and associate, as referred above, the terms of repayment of principal and interest have not been stipulated, and also we are informed that the Company has not demanded the repayment of either principal or interest.
- (d) Since there is no stipulation for payment of principal and interest amount of loan, reporting for overdue amount for more than ninety day under clause (3)(iii)(d) and (e) of the Order is not applicable.
- (e) The company has granted loans and advances in the nature of loans without specifying any terms or period of repayment to related parties as defined in clause (76) of section 2 of the Companies Act, 2013, aggregating to ₹ 672.47 Lakhs, percentage thereof to total loan is 100%.
- iv. In our opinion and according to the information and explanations given to us, the Company has not provided any guarantees or security to the parties covered under section 185 of the Act and the Company has complied with the provisions of Section 185 and 186 of the Act in respect of the loans granted and investments made.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are considered to be deemed deposits during the year, hence directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder are not applicable to the Company. According to information and explanations provided to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the order of the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii. (a) In our opinion and according to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, income-tax, duty of customs, cess, goods and services tax and any other statutory dues applicable to it. Further, no undisputed amounts payable in respect of income tax, duty of customs, duty of excise, goods and services tax, cess and other statutory dues were in arrears as at March 31, 2024 for a period of more than six months from the date they become payable.
- (b) 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 disputed statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes except the following:

Name of the statute (Nature of disputed dues)	Amount (₹ in lakhs)	Period to which the amount relates	Forum where pending
Finance Act, 1994 (Service tax/ Excise)	62.63	F.Y. 2004-05 to 2012-13	Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Ahmedabad.
Finance Act, 1994 (Service tax/ Excise)	3.71	F.Y. 2011-12 to 2016-17	Superintendent - Central Excise, Customs and Service Tax, Vadodara-I
Provident Fund	39.50	F.Y 1990-2002	PF Appellate Tribunal, Ahmedabad
Goods and Services Tax Act, 2017	7.09	F.Y. 2017-18	Service Tax Officer

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the 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 repayment of loans or other borrowing or in the payment of interest to any lender during the year.
- b) According to the information and explanations given to us and on the basis of audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, not been used during the year for long-term purposes by the Company.
- e) According to the information and explanations given to us and on overall examination of the records 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 subsidiary and associate and hence reporting under clause 3(ix)(e) of the order is not applicable to the company.
- f) The Company has not raised any loans during the year and hence reporting under clause- 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) According to information and explanation given to us, the company has not raised any money by the way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under 3(x)(a) of the order is not applicable to the company.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company. During the year, the Company has issued equity shares to its employees under Employees Stock Option Scheme called "DACL - Employees Stock Option Plan 2021" as per provisions of section 62(1)(b) of the Act.
- xi. (a) To the best of our knowledge and according to information and explanations given to us, no material fraud by the company or on the company has been noticed or reported.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the information and explanations given to us, the Company has not received any whistle blower complaints during the year.
- xii. In our opinion, the Company is not a Nidhi company and therefore, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standard
- xiv. (a) In our opinion and based on our examination, the company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, reporting under clause 3 (xv) of the Order are not applicable to the Company.

- xvi (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii There has been no resignation of the statutory auditors of the Company during the year and accordingly, this clause is not applicable.
- xix In our opinion and according to the information and explanations given to us, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that 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 are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause (3)(xx)(a) of the Order is not applicable for the year.
- (b) The Company does not have any ongoing project for Corporate Social Responsibility (CSR) and accordingly reporting under clause (3)(xx)(b) of the Order is not applicable for the year.
- xxi There are no qualifications or adverse remarks in the Companies (Auditor's Report) Order 2020(CARO) report of the company included in the consolidated financial statements.

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Shripal Shah
Partner
Membership No. 114988
UDIN: 24114988BKALZQ5296

Place : Vadodara
Date : May 24, 2024

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **Diamines and Chemicals Limited** on the standalone financial statements of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause(i) of Sub section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to standalone financial statements of **Diamines and Chemicals Limited** (“the Company”) as of March 31, 2024, 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 with reference to standalone financial statements 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 (“ICAI”). 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 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 (“the Act”).

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls with reference to standalone Financial Statement and both issued by the ICAI. 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 with reference to standalone financial statements were 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 auditors’ judgement, including the assessment of the risks of material misstatement of the standalone 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 Company’s internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A Company’s internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial controls with reference to standalone financial statements 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may be come 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, 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 K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Shripal Shah
Partner
Membership No. 114988
UDIN: 24114988BKALZQ5296

Place : Vadodara
Date : May 24, 2024

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2024

Particulars	Note No.	(₹ in Lakhs)	
		As at 31 st March,2024	As at 31 st March,2023
(I) ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	4A	5,029.79	2,687.82
(ii) Intangible assets	4B	8.63	0.97
(b) Capital work-in-progress	4C	82.95	2,139.30
(c) Financial Assets			
(i) Investments			
(A) Investment in Subsidiary	5A	1,345.24	1,345.24
(B) Investment In Associate	5B	175.00	0.35
(C) Other Investments	5C	1,443.16	1,330.28
(ii) Others	6	284.11	386.26
(d) Other non-current assets	7	267.08	358.61
Total Non-Current Assets		8,635.96	8,248.83
(2) Current Assets			
(a) Inventories	8	1,730.83	1,683.47
(b) Financial Assets			
(i) Trade receivables	9	1,670.38	2,289.13
(ii) Cash and cash equivalents	10	252.92	257.69
(iii) Other bank balances	11	3,535.66	2,437.88
(iv) Others	12	424.04	21.06
(c) Current Tax Assets (Net)	13	152.57	80.43
(d) Other current assets	14	115.96	124.89
Total Current Assets		7,882.35	6,894.55
TOTAL ASSETS		16,518.32	15,143.38
(III) EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	15	978.40	978.32
(b) Other Equity	16	14,099.24	12,510.69
Total Equity		15,077.64	13,489.01
Liabilities			
(1) Non-Current Liabilities			
(a) Provisions	17	25.48	47.71
(b) Deferred Tax Liabilities (Net)	18	401.34	342.94
Total Non-Current Liabilities		426.83	390.65
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	19		
(A) due to micro enterprises and small enterprises		25.84	30.54
(B) due to other than micro enterprises and small enterprises		489.16	725.41
(ii) Other financial liabilities	20	329.13	367.08
(b) Other current liabilities	21	148.28	104.85
(c) Provisions	22	21.44	35.84
Total Current Liabilities		1,013.85	1,263.72
Total Liabilities		1,440.68	1,654.37
TOTAL EQUITY AND LIABILITIES		16,518.32	15,143.38

Material Accounting Policies and Notes to the Standalone Financial Statements

1-48

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829
Shripal Shah
Partner
Membership No. 114988
Place : Vadodara
Date : 24th May, 2024

For and on behalf of the Board
Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 24th May, 2024

Tanmay Godiawala
Director
DIN: 07084668
Place : Mumbai
Hemaxi Pawar
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
I Revenue from Operations	23	10,403.51	11,055.86
II Other Income	24	272.54	274.83
III Total income (I+II)		10,676.05	11,330.69
IV EXPENSES			
Cost of materials consumed	25	3,701.66	3,325.00
Purchase of stock in trade	26	1,313.02	-
Changes in inventories of Finished Goods and Work-In-Progress	27	(177.76)	(545.31)
Employee benefits expense	28	1,164.10	973.07
Finance costs	29	19.42	14.47
Depreciation and Amortisation expense	30	265.83	170.68
Other expenses	31	1,982.32	1,726.50
Total expenses (IV)		8,268.59	5,664.41
V Profit before tax (III-IV)		2,407.46	5,666.28
VI Tax expense:			
(a) Current Tax	34	577.03	1,425.57
(b) Tax relating to Earlier Years	34	7.28	7.98
(c) Deferred Tax	34	46.02	10.78
VII Profit for the year (V-VI)		1,777.13	4,221.95
VIII Other Comprehensive Income (OCI)			
A. Items that will not be reclassified subsequently to profit or loss :			
(i) Remeasurement gain/(loss) on the Defined Benefit Plans		(2.08)	4.66
(ii) Gain/(Loss) on measuring equity instruments at Fair Value carried through Other Comprehensive Income (FVTOCI)		112.91	(209.50)
(iii) Income tax on above		(12.39)	22.22
B. Items that will be reclassified subsequently to profit or loss :		-	-
IX Total Comprehensive Income for the year ((VII+VIII))		1,875.56	4,039.33
X Earnings per equity share			
(Face Value of ₹ 10 each) - (not annualised)	35		
Basic (₹)		18.16	43.15
Diluted (₹)		18.16	43.12

Material Accounting Policies and

Notes to the Standalone Financial Statements

1-48

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Shripal Shah
Partner
Membership No. 114988
Place : Vadodara
Date : 24th May, 2024

For and on behalf of the Board

Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 24th May, 2024

Tanmay Godiawala
Director
DIN: 07084668
Place : Mumbai
Hemaxi Pawar
Company Secretary

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Lakhs)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	2,407.46	5,666.28
Adjustments for:		
Depreciation / Amortisation / Impairment of Property, Plant and Equipment and Intangible Assets	265.83	170.68
Impairment of Property, Plant & Equipment	82.37	-
Write off of Property, Plant & Equipment	15.27	-
Loss on Slump sale	-	-
Dividend Income	(23.12)	(15.99)
Interest Income	(232.34)	(205.56)
Finance Costs	19.42	14.47
(Profit)/Loss on sale of Property, Plant and Equipment	(8.59)	9.61
Unrealised Loss/(Gain) on Foreign Exchange	10.72	(9.70)
Provision for Doubtful Receivables/Advances/Sundry balances written off	-	0.50
Provision/Advances/Sundry Balances written back	(1.58)	(0.68)
Other adjustments for non-cash items	6.13	-
Operating Profit/(Loss) before changes in working capital	2,541.56	5,629.61
Adjustment for (Increase)/Decrease in Operating Assets		
Trade Receivables	618.75	(1,287.52)
Inventories	(47.36)	(1,453.07)
Financial Assets and Other Assets	(394.04)	(66.07)
Long-term Loans and Advances and Other Non-current Assets	193.68	(368.13)
Adjustment for Increase/(Decrease) in Operating Liabilities		
Trade Payables	(251.51)	527.26
Other Financial Liabilities	(37.95)	175.82
Other Liabilities and provisions	6.80	(62.89)
Cash flow from operations after changes in working capital	2,629.93	3,095.01
Net Direct Taxes (Paid)/Refunded	(656.45)	(1,464.40)
Net Cash Flow from/(used in) Operating Activities (A)	1,973.48	1,630.61
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Received	232.34	205.56
Dividend Received	23.12	15.99
Purchase of Equity Instruments	(174.65)	(277.07)
Sale of Equity Instruments	-	8.75
Investment in Subsidiary (Refer Note no. 5A)	-	(1325.23)
Purchase of Property, Plant and Equipment, Intangible assets including CWIP & Capital Advances	(659.65)	(2319.31)
Sale of Property, Plant and Equipment	11.20	1,325.40
Bank Balances not considered as Cash and Cash Equivalents	(1,097.78)	1,509.35
Net Cash Flow from/(used in) Investing Activities (B)	(1,665.42)	(856.56)

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance Costs	(19.42)	(14.47)
Equity issued to Employees vide ESOP	0.08	-
Payment of Dividend & Tax on Dividend	(293.50)	(586.99)
Net Cash Flow from/(used in) Financing Activities (C)	<u>(312.84)</u>	<u>(601.46)</u>
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(4.77)	172.59
Cash & Cash Equivalents at beginning of period (see Note 1)	257.69	85.10
Cash and Cash Equivalents at end of period (see Note 1)	<u>252.92</u>	<u>257.69</u>

Notes:

1 Cash and Cash equivalents comprise of:

Cash on hand	1.19	0.21
Balance with Banks	251.73	257.48
Cash and Cash equivalents	<u>252.92</u>	<u>257.69</u>

2 The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard 7 - "Statement of Cash Flows".

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Shripal Shah
Partner
Membership No. 114988
Place : Vadodara
Date : 24th May, 2024

For and on behalf of the Board

Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 24th May, 2024

Tanmay Godiawala
Director
DIN: 07084668
Place : Mumbai
Hemaxi Pawar
Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

A. Equity Share Capital		(₹ in Lakhs)
Particulars	Amount	
As at 31 st March, 2022	978.32	
Additions/(Reductions)	-	
As at 31 st March, 2023	978.32	
Additions/(Reductions) *	0.08	
As at 31st March, 2024	978.40	

*Shares issued on account of exercise of employee stock options (Refer note 43)

B. Other Equity		(₹ in Lakhs)				
Particulars	Reserves & Surplus			Equity Instruments carried through OCI	Equity Stock Option Reserve	Total
	General Reserve	Share Premium	Retained Earnings			
Balances as at 31 st March, 2022	517.12	-	7,947.32	581.48	-	9,045.92
Movement during the year:						
Profit for the period			4,221.95			4,221.95
Stock Option Outstanding A/c					7.42	7.42
Other Comprehensive Income for the year, net of income tax*			3.49			3.49
Net fair value gain/(loss) on investment in equity instrument carried through OCI, net of income tax				(186.08)		(186.08)
Gain / (Loss) on sale of Investment				4.98		4.98
Payment of Dividend (Interim & Final)			(586.99)			(586.99)
Balances as at 31st March, 2023	517.12	-	11,585.77	400.38	7.42	12,510.69
Movement during the year:						
Profit for the period			1,777.13			1,777.13
Add: Transfer from Equity Stock Option Reserve on lapsed options			9.18		(9.18)	9.18
ESOP expense provision during the year					6.51	6.51
Share Premium on Share option exercised		1.99			(1.99)	-
Other Comprehensive Income for the year, net of income tax*			(1.56)			(1.56)
Net fair value gain/(loss) on investment in equity instrument carried through OCI, net of income tax				99.97		99.97
Gain / (Loss) on sale of Investment						-
Payment of Dividend (Final)			(293.50)			(293.50)
Balances as at 31st March, 2024	517.12	1.99	13,077.02	500.35	2.76	14,099.24

* Represents remeasurement gain / (loss) on the Defined Benefit Plans

Material Accounting Policies and

Notes to the Standalone Financial Statements

1-48

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

For and on behalf of the Board

Shripal Shah
Partner
Membership No. 114988
Place : Vadodara
Date : 24th May, 2024

Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 24th May, 2024

Tanmay Godiawala
Director
DIN: 07084668
Place : Mumbai
Hemaxi Pawar
Company Secretary

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

1. Corporate Information

The Standalone Financial Statements of “Diamines and Chemicals Limited” (“the Company”) are for the year ended 31st March, 2024.

The Company is a domestic public limited company incorporated and domiciled in India and has its registered office at Plot No. 13, New IPCL Rd, PCC Area, Vadodara, Gujarat. The Company’s shares are listed and traded on the BSE Limited and National Stock Exchange of India Limited. The Company is engaged in business of manufacturing and marketing of organic chemicals compounds.

1.1 Statement of Compliance

These Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) as notified under Section 133 of The Companies Act, 2013 (the “Act”) read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act as amended from time to time, 2013.

1.2 Recent pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31st March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

1.3 Basis of Preparation of Financial Statements

The Standalone Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments that are measured at fair values / amortized cost / net present value at the end of each reporting period, as explained in the accounting policies below. These accounting policies have been applied consistently over all the periods presented in these standalone financials statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company’s operating cycle and other criteria set out in Ind AS-1 ‘Presentation of Standalone Financial Statements’ and Schedule III to the Companies Act, 2013.

The Standalone Financial Statements have been presented in Indian Rupees (INR), which is also the Company’s presentation and functional currency. All values are rounded off to the nearest two decimal lakhs, unless otherwise indicated.

2. Material Accounting policies

(i) Property, Plant and Equipment

The Company has elected to continue with the carrying value of its Property Plant & Equipment (PPE) recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

Property, Plant & Equipment (PPE) comprises of Tangible assets and Capital Work in progress. PPE are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation and accumulated impairment losses, if any; until the date of the Balance Sheet. The cost of PPE comprises of its purchase price or its construction cost (net of applicable tax credit, if any), any cost

directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Direct costs are capitalized until the asset is ready for use and includes borrowing cost capitalised in accordance with the Company's accounting policy.

Capital work in progress includes the cost of PPE that are not yet ready for the intended use.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Standalone Statement of Profit and Loss.

As per internal technical evaluation carried out by the management, the management of the company believes that its Property, Plant & Equipment are of such nature that separate components are not distinctly identifiable having different useful life. And therefore, Component level accounting and reporting is not practically feasible for the company.

Depreciation of these PPE commences when the assets are ready for their intended use.

Depreciation is provided on the cost of Property, Plant and Equipment (other than Freehold land) less their estimated residual value, using the straight-line method over the useful life of PPE as stated in the Schedule II to the Companies Act, 2013 or based on internal technical evaluation. The management believes that the useful lives as assessed best represent the period over which management expects to use these assets.

Useful lives of following class of PPE are as prescribed under Part C of Schedule II to the Companies Act, 2013, which are as under:-

Asset Description	Assets Useful life (in Years)
Buildings	30 - 60
R & D Equipments	10
Office Equipments	5
Computers	3
Server	6
Road	5
Furniture and Fixtures	10
Vehicle	8

Useful lives of following class of PPE are based on internal technical evaluation carried out by the Company which are as under:-

Asset Description	Assets Useful life (in Years)
Plant & Machinery	20
Plant & Machinery (Tank)	25
Wind Electric Generators	22

The estimated useful lives, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions.

The low value assets costing ₹ 25,000/- or less are fully depreciated (net of residual value) in the year of purchase.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

Freehold land is not depreciated.

(ii) Intangible Assets

The Company has elected to continue with the carrying value of its Intangible assets recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

Intangible assets with finite useful life acquired separately, are recognised only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized over the estimated period of benefit, not exceeding ten years.

Intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in the Standalone Statement of Profit and Loss when the asset is derecognised .

Intangible assets are amortised on Straight Line Method from the date they are available for use, over the useful lives of the assets as estimated by the Management as under:

Asset Description	Assets Useful life (in Years)
Software & Licenses	3

(iii) Impairment of non-financial assets

The Company reviews at each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Standalone Statement of Profit & Loss. If at the reporting period, there is an indication that there is change in the previously assessed impairment loss, the recoverable amount is reassessed and the asset is reflected at the lower of its recoverable amount and the carrying amount that is determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognised earlier may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates which has the effect of increasing the asset's recoverable amount since the previous impairment loss was recognised. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that has been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognised in the Standalone Statement of Profit and Loss.

(iv) Investment in Subsidiary

The Company records the Investment in equity instrument of Subsidiary at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investment in subsidiary, the difference between net disposal proceeds and the carrying amounts are recognised in the standalone statement of profit and loss.

Investment in Associate

The Company records the investments in associates at cost less impairment loss, if any.

On disposal of investment in associate, the difference between net disposal proceeds and the carrying amounts (including corresponding value of dilution in deemed investment) are recognized in the Statement of Profit and Loss.

(v) Share-based payments

The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, on a straight -line basis, over the vesting period, based on the Company’s estimate of equity instruments that will eventually vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserves.

(vi) Inventories

Inventories are valued at lower of cost and net realisable value after providing for impairment and other losses, where considered necessary. The basis of determining the value of each class of inventory is as follows:

Inventories	Cost Formulae
Raw Material, packing materials, fuels and stores and spares	At first-in-first out basis (Net of eligible credit)
Raw Material (Goods in transit)	At invoice price
Work-in-progress	At Cost, comprising of raw material cost, labour cost and appropriate proportion of manufacturing expenses and overheads based on stage of completion.
Finished Goods (Including in Transit)	At Cost, comprising of raw material cost, labour cost and appropriate proportion of manufacturing expenses and overheads.
Scrap	At lower of Cost or Net Realisable Value

(vii) Revenue and Income recognition:

(a) Revenue from Contracts with Customers

Revenues from sale of goods or services are recognised upon transfer of control of the goods or services to the customer in an amount that reflects the consideration which the company expects to receive in exchange for those goods or services.

Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration and customer’s right to return the goods and the same represents amounts receivable for goods and services provided in the normal course of business. Revenue also excludes taxes collected from customers. Any retrospective revision in prices is accounted for in the year of such revision.

Revenue is recognised at a point in time on accrual basis as per the terms of the contract, when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

When sales discount and rebate arrangements result in variable consideration, appropriate estimates are made and estimated variable consideration is recognised as a deduction from revenue at the point of sale (to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not be required). The Company typically uses the expected value method for estimating variable consideration, reflecting that such contracts have similar characteristics and a range of possible outcomes.

The contract asset or a contract liability is recognised when either party to a contract has performed, depending on the relationship between the entity's performance and the customer's payment. When the company has a present unconditional rights to consideration, it is recognised separately as a receivable.

(b) Interest Income

Interest on investments is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

(c) Dividend Income

Dividend income is recognised when the right to receive the same is established.

(d) Export Incentives

Export incentives (Duty Drawback Scheme benefits) are accrued in the year when the right to receive the same is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate realization/ utilization of such benefits/ duty credit.

(e) other Income

Other income is recognised on accrual basis except when realization of such income is uncertain.

(viii) Foreign Exchange Transactions

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the spot exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated using closing exchange rate prevailing on the last day of the reporting period.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

Exchange differences on monetary items are recognised in the Standalone Statement of Profit and Loss in the period in which they arise.

(ix) Leases

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees.

As a lessee

The Company's lease assets primarily consist of lease for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a 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 and corresponding Right-of-use Asset. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

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 and adjusted for any remeasurement of the lease liability.

Right-of-use Assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

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 these leases. Lease liabilities are remeasured 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.

(x) Employees Benefits

Post Employment Benefit

(i) Defined Contribution Plan

The company's contribution to defined contribution plan paid/payable for the year is charged to the Standalone Statement of Profit and loss.

(ii) Defined Benefit Plan

The liabilities towards defined benefit schemes are determined using the Projected Unit Credit method. Actuarial valuation under the Projected Unit Credit method are carried out at the balance sheet date. Remeasurement gains/losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income (OCI). These gains/losses which are recognised in OCI are reflected in retained earnings and are not reclassified to Profit or Loss. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise it is amortized on straight-line basis over the remaining average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by plan assets. The plan assets are measured at fair value.

(iii) Short Term Employee Benefits

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the period employee renders services. These benefits include salaries, wages, bonus, performance incentives, etc.

(iv) Other Long Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at present value of the defined benefit obligation at the balance sheet date, using Projected Unit Credit method.

(xi) Borrowing Costs

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings.

General and specific borrowing costs attributable to acquisition and construction of qualifying assets is added to the cost of the assets upto the date the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use Capitalisation of borrowing costs is suspended and charged to the Standalone Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised in the Standalone Statement of Profit and Loss in the period in which they are incurred.

(xii) Statement of Cash Flows

Standalone Statement of Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

(xiii) Income Taxes

Income tax expense represents the sum of the current tax and deferred tax.

(i) Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Standalone Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and Deferred Tax Expense for the Year

Current and deferred tax expense is recognised in the Standalone Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(xiv) Financial Instruments

Financial assets and Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

Financial assets and Financial 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 or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in the Standalone Statement of Profit and Loss. However, trade receivables which is a financial asset that do not contain a significant financing component are measured at transaction price.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial 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.

Fair Value through OCI:

A financial asset shall be classified and measured at FVTOCI, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling 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.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Fair Value Measurement

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 under current market conditions.

The Company categories assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (i) Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities
- (ii) Level 2: inputs are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (iii) Level 3: inputs are unobservable for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

For assets and liabilities that are recognised in the Standalone 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.

Impairment of financial assets:

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial Assets are measured at amortised cost e.g., deposits, trade receivables and bank balance

Simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

General Approach

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed. On that basis, the Company estimates provision on trade receivables at the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense (or income) in the Standalone Statement of Profit and Loss.

Derecognition of financial assets:

The Company derecognises a financial asset when the contractual right to receive the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. 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 asset 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 and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Classification and Subsequent Measurement:

Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Standalone Statement of Profit and Loss.

Other Financial Liabilities at amortised cost:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities and equity instruments:

- Classification as debt or equity:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements 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 an entity after deducting all of its liabilities.

Equity instruments issued by a Company are recognised at the proceeds received.

Derecognition of financial liabilities:

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

Offsetting:

Financial assets and financial liabilities are offset and the net amount is reported in the Standalone Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(xv) Derivative Financial Instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to manage its exposure to foreign currency exchange rate risks.

Derivatives are initially recognised at fair value at the date the contracts are entered into. Subsequent to initial recognition, these contracts are measured at fair value at the end of each reporting period and changes are recognised in Standalone Statement of Profit and Loss.

(xvi) Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Making Body (CODM) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company.

(xvii) Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax with the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, with the aggregate of weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(xviii) Dividend

Provision is made in the accounts for the amount of any final dividend declared on the date of its approval by the shareholders. Interim dividends, if any, are recorded as a liability on the date of its declaration by the company's board of directors.

(xix) Research and Development

Revenue expenditure on research and development is charged to Standalone Statement of Profit and Loss in the year in which it is incurred. Capital expenditure on research and development is considered as an addition to Property, Plant & Equipment/Intangible Assets.

(xx) Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised when, based on Company's present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows

estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent Liabilities and Assets

Contingent liabilities are disclosed in the Standalone Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are disclosed in the Standalone Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

3. Critical Accounting Judgments, Estimates, Assumptions and Key Sources of Estimation Uncertainty

The preparation of the Company's Standalone 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 at the date of the Standalone Financial Statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. 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.

Key estimates, assumptions and judgements

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the Standalone Financial Statements. Changes in estimates are accounted for prospectively.

(i) Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits.

(ii) Useful lives of Property, Plant and Equipment/Intangible Assets

Property, Plant and Equipment/ Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

(iii) Contingent Liabilities

In the normal course of business, Contingent Liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the Notes but are not recognised. Potential liabilities that are remote are neither recognised nor disclosed as contingent liability. The management decides whether the matters need to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

(iv) Evaluation of Indicators for Impairment of Property, Plant and Equipment

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the idle assets etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment and such assessment is based on estimates, future plans as envisaged by Company.

(v) Actuarial Valuation:

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the income statement and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(vi) Allowance for impairment of trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectable on the assessment of the underlying facts and circumstances.

(vii) Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(viii) Revenue Recognition:

The Company's contracts with customers include promises to transfer products to the customers. The Company assesses the products promised in a contract and identifies distinct performance obligations, if any, in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables. Judgement is also required to determine the transaction price for the contract. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over time. The Company considers indicators such as to who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. The judgment is also exercised in determining the variable consideration, if any, involved in transaction price and also in estimating the impact of customer's right to return the goods, based on prior experience. The company has exercised judgments and concluded that it has only one performance obligation from each of its contract with customers and it is being satisfied at a point in time.

Notes to the Standalone Financial Statements for the Year ended 31st March, 2024
4A. Property, Plant and Equipment (Including Right-of-use Assets)

Particulars	(₹ in Lakhs)														
	Freehold Land	Right-of-use Assets (Leasehold Land)	Buildings	Plant and Machinery	R & D Equipment	Wind Electric Generators	Furniture and Fixtures	Office Equipments	Vehicles	Server	Computers	Road	QA Lab Equipment	Low Value Assets	Total
Gross Block															
As at 31 st March, 2022	1.54	1373.46	1035.52	2086.24	167.89	140.91	97.92	23.50	90.85	10.36	48.72	21.63	3.52	5.36	5107.40
Additions	-	63.22	31.42	159.32	36.90	-	110.04	6.15	14.55	2.15	6.96	6.35	-	2.37	439.45
Deductions/Adjustments	-	1241.90	98.40	18.85	-	-	-	-	-	-	-	-	-	-	1359.14
As at 31 st March, 2023	1.54	194.78	968.54	2226.71	204.79	140.91	207.97	29.65	105.40	12.51	55.68	27.98	3.52	7.73	4187.71
Additions	-	-	65.16	2245.00	65.45	-	278.31	14.24	11.60	7.45	16.98	-	-	1.39	2705.59
Deductions/Adjustments	-	-	-	-	-	-	-	-	21.86	-	-	-	-	-	21.86
Assets Written off during the year	-	-	-	9.86	5.03	-	5.86	2.52	-	-	5.43	-	-	-	28.70
As at 31 st March, 2024	1.54	194.78	1033.71	4461.85	265.21	140.91	480.42	41.37	95.14	19.96	67.24	27.98	3.52	9.12	6842.74
Accumulated Depreciation															
As at 31 st March, 2022	-	26.01	60.86	544.18	54.08	68.44	24.44	6.92	42.18	7.72	31.33	11.60	0.76	5.10	883.62
Charge for the year	-	3.28	25.88	72.18	15.44	11.41	11.75	2.05	6.53	1.03	6.47	4.81	0.33	2.25	163.42
Deductions/Adjustments	-	6.17	2.67	9.06	-	-	-	-	-	-	-	-	-	-	17.90
As at 31 st March, 2023	-	23.12	84.07	607.30	69.52	79.85	36.19	8.97	48.71	8.75	37.80	16.41	1.09	7.35	1029.14
Charge for the year	-	3.36	23.26	141.19	19.36	11.44	30.17	8.44	8.10	2.04	9.20	5.27	0.34	1.16	263.34
Deductions/Adjustments	-	-	-	-	-	-	-	-	19.25	-	-	-	-	-	19.25
Assets Written off during the year	-	-	-	2.80	4.44	-	4.53	0.78	-	-	0.88	-	-	-	13.43
As at 31 st March, 2024	-	26.48	107.33	745.68	84.44	91.29	61.83	16.64	37.57	10.79	46.13	21.69	1.43	8.52	1259.80
Accumulated Impairment															
As at 31 st March, 2022	-	-	-	470.78	-	-	-	-	-	-	-	-	-	-	470.78
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deductions/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 st March, 2023	-	-	-	470.78	-	-	-	-	-	-	-	-	-	-	470.78
Charge for the year	-	-	-	82.37	-	-	-	-	-	-	-	-	-	-	82.37
Deductions/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 st March, 2024	-	-	-	553.15	-	-	-	-	-	-	-	-	-	-	553.15
Net Block															
Balance as at 31 st March, 2023	1.54	171.66	884.47	1148.64	135.27	61.06	171.78	20.68	56.69	3.76	17.88	11.57	2.43	0.38	2687.82
Balance as at 31 st March, 2024	1.54	168.30	926.38	3163.02	180.77	49.62	418.58	24.73	57.57	9.17	21.11	6.30	2.09	0.60	5029.79

Notes :

- During the financial year 2022-23, the Company has transferred Industrial Plot (Leasehold Land and Building) situated at Dahej, Ankleshwar aggregating to ₹ 1325.23 Lakhs to Wholly Owned Subsidiary Company. The Company has received 1% Optionally Convertible Non Cumulative Redeemable Preference Shares ("OCRPS") in two series viz. Series A (15 Years) : 66,26,160 Preference shares and Series B (20 Years) : 66,26,160 Preference shares, of ₹ 10 each at par, towards Sales consideration.
- The Company has elected to continue with the carrying value of its Property Plant & Equipment (PPE) recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

Notes to the Standalone Financial Statements for the Year ended 31st March, 2024

(₹ in Lakhs)

Particulars	Software & Licenses	Total
4B. Intangible assets		
Gross Block		
As at 31 st March, 2022	5.12	5.12
Additions	-	-
Deductions/Adjustments	-	-
As at 31 st March, 2023	5.12	5.12
Additions	10.14	10.14
Deductions/Adjustments	-	-
As at 31st March, 2024	15.26	15.26
Accumulated Amortisation		
As at 31 st March, 2022	3.11	3.11
Charge for the year	1.04	1.04
Deductions/Adjustments	-	-
As at 31 st March, 2023	4.15	4.15
Charge for the year	2.49	2.49
Deductions/Adjustments	-	-
As at 31st March, 2024	6.64	6.64
Net Block		
Balance as at 31 st March, 2023	0.97	0.97
Balance as at 31st March, 2024	8.63	8.63

Note :

- The Company has elected to continue with the carrying value of its Intangible assets recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
4C. Capital work-in-progress		
Balance as at beginning of the year	2,139.30	187.96
Add: Additions during the year	659.38	2,325.99
Less: Transfer to Property, Plant and Equipment	2,715.73	374.65
Total	82.95	2,139.30

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
4C(i) Ageing Schedule of Capital work-in-progress (Projects in process):					
As at 31st March, 2024					
i) Projects in Progress	42.35	19.50	21.10	-	82.95
ii) Projects temporarily suspended	-	-	-	-	-
As at 31st March, 2023					
i) Projects in Progress	842.72	1296.58	-	-	2139.30
ii) Projects temporarily suspended	-	-	-	-	-

(₹ in Lakhs)

Particulars	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
4C(ii) Completion Schedule of CWIP whose completion is overdue or has exceeded it's compared cost to it's original plan:					
As at 31st March, 2024					
i) Projects in progress	82.95	-	-	-	82.95
ii) Projects temporarily suspended	-	-	-	-	-
As at 31st March, 2023					
i) Projects in progress	2131.08	-	-	-	2131.08
ii) Projects temporarily suspended	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Investments		
5A. Investment in Subsidiary		
Investments in Equity Instrument in		
Wholly Owned Subsidiary Company (Unquoted at Cost)		
2,00,000 (P.Y. 2,00,000) equity shares of DACL Fine Chem Limited (Fully paid up) (Face Value ₹ 10 per share)	20.00	20.00
Total (i)	<u>20.00</u>	<u>20.00</u>
*Investments in Preference Share Capital in Wholly		
Owned Subsidiary Company (at FVTPL)		
66,26,160 (P.Y. : 66,26,160) 1% Optionally Convertible Non Cumulative Redeemable Preference Shares of ₹ 10 each : Series A 15 years	662.62	662.62
66,26,160 (P.Y. : 66,26,160) 1% Optionally Convertible Non Cumulative Redeemable Preference Shares of ₹ 10 each : Series B 20 years	662.62	662.62
Total (ii)	<u>1,325.24</u>	<u>1325.24</u>
Total A (i+ii)	<u>1,345.24</u>	<u>1345.24</u>

* During the financial year 2022-23, The Company has received 1% Optionally Convertible Non Cumulative Redeemable Preference Shares ("OCRPS") in two series viz. Series A (15 Years): 66,26,160 Preference shares and Series B (20 Years) : 66,26,160 Preference shares, of ₹ 10 each at par, towards Sales consideration on transfer of Industrial Plot (Leasehold Land and Building) situated at Dahej, Ankleshwar, Gujarat aggregating to ₹ 1325.23 Lakhs to Wholly Owned Subsidiary Company.

Details of Subsidiary

Name of Company	DACL Fine Chem Limited
Principal Activity	Manufacturing of Chemicals
Place of Incorporation	Vadodara, India
Principal place of business	Vadodara, India
Proportion of Ownership Interest /Voting rights held by the company	100%

Investment in Subsidiary:-

Investment in subsidiary are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exist, the carrying amount of investment is assessed and the same is written down immediately to its recoverable amount. On disposal of investments in subsidiary, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

5B. Investment in Associate

Investment in Associate (Unquoted at Cost)

17,50,000 (P.Y. : 3,500) equity shares of KLJ Organic Diamines Limited (Fully paid up) (Face Value ₹ 10 per share)	175.00	0.35
Total (B)	<u>175.00</u>	<u>0.35</u>

Investment in Associate

An associate is an entity in which the Group has significant influence but not control or joint control over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognised at costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence ceases.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
5C. Other Investments		
Investments in Quoted Securities at Market Value (at FVTOCI)		
2,37,950 (P.Y. 2,37,950) Equity Shares of Sintex Plastics Technology Limited (Fully paid up) (Face Value ₹ 1 per share)	2.26	4.64
200 (P.Y.200) Equity Shares of Alkyl Amines Chemicals Limited (Fully paid up) (Face Value ₹ 2 per share)	3.63	4.31
15,147 (P.Y. 15,147) Equity Shares of Deepak Nitrite Limited (Fully paid up) (Face Value ₹ 2 per share)	321.95	279.10
6,500 (P.Y. 6,500) Equity Shares of P.I. Industries Limited (Fully paid up) (Face Value ₹ 1 per share)	251.39	196.96
2,500 (P.Y. 2,500) Equity Shares of Reliance Industries Limited (Fully paid up) (Face Value ₹ 10 per share)	74.29	58.28
25,000 (P.Y. 25,000) Equity Shares of UPL Limited (Fully paid up) (Face Value ₹ 2 per share)	114.00	179.41
6,500 (P.Y. 6,500) Equity Shares of GHCL Limited (Fully paid up) (Face Value ₹ 10 per share)	28.81	32.73
51,220 (P.Y.51,220) Equity Shares of Meghmani Organics Limited (Fully paid up) (Face Value ₹ 1 per share)	40.62	39.80
6,215 (P.Y 6,215) Equity Shares of Epigral Limited (formally know as Meghmani Finechem Limited) (Fully paid up) (Face Value ₹ 10 per share)	68.24	58.65
16,000 (P.Y 16,000) Equity Shares of Gujarat State Fertilizers & Chemicals Limited (Fully paid up) (Face Value ₹ 2 per share)	31.30	19.04
23,000 (P.Y 23,000) Equity Shares of Gujarat Narmada Valley Fert. & Chem Limited (Fully paid up) (Face Value ₹ 10 per share)	143.77	117.15
5,000 (P.Y 5,000) Equity Shares of Infosys Limited (Fully paid up) (Face Value ₹ 5 per share)	74.90	71.40
1,350 (P.Y 1,350) Equity Shares of Jubilant Ingrevia Limited (Fully paid up) (Face Value ₹ 10 per share)	6.11	4.86
3,000 (P.Y 3,000) Equity Shares of Syngene International Limited (Fully paid up) (Face Value ₹ 10 per share)	21.08	17.84
2,000 (P.Y.2,000) Equity Shares of Aarti Drugs Limited (Fully paid up) (Face Value ₹ 10 per share)	8.69	6.76
500 (P.Y.500) Equity Shares of Atul Limited (Fully paid up) (Face Value ₹ 10 per share)	28.70	34.80
3,500 (P.Y.3,500) Equity Shares of Gujarat Flurochemicals Limited (Fully paid up) (Face Value ₹ 1 per share)	108.41	105.71
1,500 (P.Y.1,500) Equity Shares of LTI Mindtree Limited (Fully paid up) (Face Value ₹ 1 per share)	74.08	71.39
10,000 (P.Y.10,000) Equity Shares of Vedanta Limited (Fully paid up) (Face Value ₹ 1 per share)	27.17	27.45
6,500 (P.Y. NIL) Equity Shares of GHCL Textiles Limited (Fully paid up) (Face Value ₹ 10 per share)	4.93	-
2,500 (P.Y. NIL) Equity Shares of Jio Financial Services Limited (Fully paid up) (Face Value ₹ 10 per share)	8.84	-
Total (C)	1,443.16	1,330.28
Total (A+B+C)	2,963.40	2,675.87
Aggregate cost of quoted investments	864.08	864.08
Aggregate market value of quoted investments	1,443.16	1,330.28
Aggregate carrying value of unquoted investments	1,520.24	1,345.59

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
6. Financial Assets - Others		
Security Deposits		
- Considered Good	4.24	13.70
Unsecured Loans to Related Party		
- To Associate Company	256.68	372.56
- Interest Receivable on Advances with Associate	23.19	-
Total	<u>284.11</u>	<u>386.26</u>

The above loan have been given for business purposes.

Loan to specified person :

(a) without specifying any terms or period of repayment (₹ in Lakhs)

Type of Borrower	As at 31 st March, 2024		As at 31 st March, 2023	
	Amount of Loan or Advance in Nature of loan Outstanding	Percentage to the total Loans and Advances in the Nature of Loans	Amount of Loan or Advance in Nature of loan Outstanding	Percentage to the total Loans and Advances in the Nature of Loans
Related Party - Associate Company	256.68	38.17%	372.56	94.65%

**7. Other Non-current Assets
(Unsecured, Considered Good unless Otherwise Stated)**

Capital advances	1.90	61.21
Prepaid Expenses	7.16	1.68
Balances with Government Authorities		
- CST	0.50	0.50
- GST	0.35	-
- Income Tax (Refund Receivable)	65.56	161.80
- Income Tax paid under protest	192.11	83.92
Fixed deposit against BG*	-	50.00
	<u>267.58</u>	<u>359.12</u>
Less:- Provision for CST	(0.50)	(0.50)
Total	<u>267.08</u>	<u>358.61</u>

* Fixed deposit against BG are lien marked

8. Inventories

Raw Materials	798.87	750.37
Raw Materials - Goods in transit	-	197.91
Work in Progress	233.89	361.05
Finished goods	633.54	329.58
Finished goods in Transit	0.97	-
Packing materials	10.87	4.83
Fuel	18.74	14.56
Stores and Spares	33.96	25.17
Total	<u>1,730.83</u>	<u>1,683.47</u>

(i) Valuation of inventories are done as per point no.(vii) of significant accounting policies (Note-2).

(ii) Amount of inventories written down to NRV and recognised as an expense ₹ 98.45 Lakhs

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
9. Trade Receivables		
Unsecured, Considered good	1,670.38	2,289.13
Less: Allowance for Expected credit Losses	-	-
Total	<u>1,670.38</u>	<u>2,289.13</u>

9(i) Ageing Schedule for Trade receivables

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	F.Y 2023-24						
i) Undisputed Trade Receivables - considered good	1,005.49	664.89	-	-	-	-	-1,670.38
ii) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
F.Y 2022-23							
i) Undisputed Trade Receivables - considered good	1,982.67	306.46	-	-	-	-	-2,289.13
ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
10. Cash and Cash Equivalents		
Balances with Banks		
In current account	49.99	160.60
In cash credit account*	201.73	96.88
Cash on hand	1.19	0.21
Total	252.92	257.69

*The Company has availed fund based working capital facilities viz., borrowings from State bank of India against security of current asset and overdraft facility from ICICI bank against fixed deposit. The company has also availed non-fund based working facilities from Bankers viz., Bank Guarantees and Letter of Credits, which are secured by hypothecation charge on Inventories, book debts and all other current assets of the company, as primary security and registered mortgage charge over land & building and hypothecation charge on plant & machinery as collateral security. The Quarterly Returns or the Current Assets Statements filed by the company with the Bank/Financial Institution are in the agreement with the books of account.

11. Other Bank Balances		
Other bank deposits with original maturity of more than 3 months up to 12 months*	3,375.00	2,316.31
Accrued Interest on FD	106.35	70.32
Earmarked bank balances**	54.31	51.25
Total	3,535.66	2,437.88

*This includes Fixed deposit of ₹ 5 Crores given as a security against Overdraft facility.

**These balances represents unclaimed dividend account which is earmarked for payment of dividend and cannot be used for any other purpose.

12. Financial Assets : Others		
Unsecured Loans to Related Party		
- To Subsidiary Company	415.79	21.06
- Interest Receivable on Advance to Subsidiary	8.25	-
Total	424.04	21.06

The above loan have been given for business purposes.

Loan to specified person :

(a) without specifying any terms or period of repayment (₹ in Lakhs)

Type of Borrower	As at 31 st March, 2024		As at 31 st March, 2023	
	Amount of Loan or Advance in Nature of loan Outstanding	Percentage to the total Loans and Advances in the Nature of Loans	Amount of Loan or Advance in Nature of loan Outstanding	Percentage to the total Loans and Advances in the Nature of Loans
Related Party - Subsidiary Company	415.79	61.83%	21.06	5.35%

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
13. Current Tax Assets (Net)		
Advance Tax (Net of provisions)	152.57	80.43
Total	<u>152.57</u>	<u>80.43</u>
14. Other Current Assets		
Unsecured, considered good		
Balances with Government Authorities	0.28	0.58
GST Receivable	-	6.66
Prepaid Expenses	46.85	95.37
Advances to vendors	52.53	18.95
Employee Advance	0.99	-
Prepaid Current Employee Benefits (Gratuity) (Refer Note no.38)	15.31	3.33
Total	<u>115.96</u>	<u>124.89</u>
15. Equity Share Capital		
Authorised		
17,550,000 (P.Y. 17,550,000) Equity shares of ₹ 10/- each	1,755.00	1,755.00
Total	<u>1,755.00</u>	<u>1,755.00</u>
Issued, Subscribed and Fully Paid Up		
9,783,990 (P.Y. 9,783,240) Equity Shares ₹ 10/- each	978.40	978.32
Total	<u>978.40</u>	<u>978.32</u>

Reconciliation of number of equity shares outstanding at the beginning and at the end of reporting period is as under:

Particulars	(₹ in Lakhs)	
	No. of Shares	Share Capital
As at 1 st April, 2022	97,83,240	978.32
Additions/(Reductions)	-	-
As at 31 st March, 2023	97,83,240	978.32
As at 1st April, 2023	97,83,240	978.32
Add: Shares issued on exercise of employee stock options	750	0.08
As at 31st March, 2024	97,83,990	978.40

Details of Shareholders holding more than 5% shares in the Company:

Name of the Shareholder	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of shares	% of Holding	No. of shares	% of Holding
Amit M. Mehta	12,57,080	12.85%	12,48,129	12.76%
Cherry A Mehta	10,64,836	10.88%	10,60,292	10.84%
Perfo Chem (India) Pvt. Ltd.	9,67,609	9.89%	9,67,609	9.89%
Harsh Amit Mehta	5,01,368	5.12%	4,98,032	5.09%
Finorga (India) Pvt. Ltd.	4,99,497	5.11%	4,98,497	5.10%
Mohak Amit Mehta	4,93,908	5.05%	4,89,777	5.01%

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

Promoters' Shareholding at the end of the year

Shareholder's Name	Shareholding at the end of the year (As at 31 st March, 2024)		Shareholding at the end of the year (As at 31 st March, 2023)		% change in shareholding during the year
	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1. Amit Mahendra Mehta	12,57,080	12.85%	12,48,129	12.76%	0.09%
2. Cherry Amit Mehta	10,64,836	10.88%	10,60,292	10.84%	0.05%
3. Perfo Chem (India) Pvt. Ltd.	9,67,609	9.89%	9,67,609	9.89%	0.00%
4. Harsh Amit Mehta	5,01,368	5.12%	4,98,032	5.09%	0.03%
5. Finorga (India) Pvt. Ltd.	4,99,497	5.11%	4,98,497	5.10%	0.01%
6. Mohak Amit Mehta	4,93,908	5.05%	4,89,777	5.01%	0.04%
7. S. Amit Speciality Chemicals Pvt. Ltd.	4,88,500	4.99%	4,87,500	4.98%	0.01%
8. Pinakin Kantilal Patel	95,212	0.97%	95,212	0.97%	0.00%

Right, Preferences and restrictions attached to Shares

- (i) The Company has only one class of shares i.e. Equity Shares having par value of ₹ 10 each. Each holder of Equity Shares is entitled to one vote per share.
- (ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (iii) The Board of Directors of the holding company in their meeting held on 24th May, 2024 have recommended a final dividend of **₹ 2.50 per Equity Share** (previous year ₹ 3 per equity share) to be approved by the shareholders in the ensuing general meeting. On approval, this will result in an outflow of **₹ 244.60 Lakhs** (Previous year ₹ 293.50 Lakhs)

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
16. Other Equity		
General Reserve	517.12	517.12
Retained Earnings	13,077.02	11,585.77
Share Premium	1.99	-
Equity instruments carried through Other Comprehensive Income (OCI)	500.35	400.38
Equity Stock Option Reserve	2.76	7.42
Total	14,099.24	12,510.69
Particulars relating to Other Equity		
General Reserve		
Balance at the beginning of the year	517.12	517.12
Additions/Deductions during the year		
Balance at the end of the year	<u>517.12</u>	<u>517.12</u>
Retained Earnings		
Balance at the beginning of the year	11,585.77	7,947.32
Add: Net Profit for the year	1,777.13	4,221.95
Add: Transfer from Equity Stock Option Reserve on lapsed options	9.18	-
Add: Other comprehensive income arising from re-measurement of defined benefit obligation, net of income tax	(1.56)	3.49
Less: Payments of dividends (Final)	(293.50)	(586.99)
Balance at the end of the year	<u>13,077.02</u>	<u>11,585.77</u>
Share Premium		
Balance at the beginning of the year	-	-
Additions: On Account of ESOP Exercise during the year	1.99	-
Balance at the end of the year	<u>1.99</u>	<u>-</u>
Equity instruments carried through other comprehensive income (OCI)		
Balance at the beginning of the year	400.38	581.48
Add: Gain/(Loss) on sale of Investment	-	4.98
Add: Fair value gain/(loss) on investments in equity instruments (Net of Taxes)	99.97	(186.08)
Balance at the end of the year	<u>500.35</u>	<u>400.38</u>
Equity Stock Option Reserve		
Balance at the beginning of the year	7.42	-
Esop Expense Provision during the year	6.51	7.42
Esop Expense Provision reversed due to ESOP Lapsed	(9.18)	-
Share Premium on ESOP Exercise during the year	(1.99)	-
Balance at the end of the year	<u>2.76</u>	<u>7.42</u>
Total	14,099.24	12,510.69

Description of the nature and purpose of Other Equity

General Reserve : The General Reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed/utilised by the Company in accordance with the provisions of Companies Act, 2013.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

Retained Earnings: Retained Earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves etc. & amount distributed as dividends and related dividend distribution taxes.

Security Premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. Security premium includes equity-settled share-based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

Reserve for equity instruments through Other Comprehensive Income : This represents cumulative gains / (losses) arising on the measurement of equity instruments at Fair Value through Other Comprehensive Income.

Equity Stock Option Reserve: Equity stock option reserve is used to recognise the fair value of equity settled share based payment transactions.

	(₹ in Lakhs)	
Particulars	As at 31 st March, 2024	As at 31 st March, 2023
17. Provisions		
Provision for employee benefits		
Compensated absences	25.48	25.34
Other Payables	-	22.37
Total	25.48	47.71
18. Deferred Tax Liabilities (Net)		
Deferred tax Liabilities	426.12	372.34
Less: Deferred tax Assets	(24.77)	(29.40)
Total	401.34	342.94

	(₹ in Lakhs)			
Particulars	Opening Balance	Recogn- ised in Profit or Loss	Recognised in other Compreh- ensive Income	Closing Balance

Major Components and Reconciliation of Deferred Tax (Assets)/Liabilities

2023-24

Property, Plant and Equipment & Intangible Assets	320.39	40.86	-	361.25
Equity Instruments through FVTOCI	53.71	-	12.91	66.62
Remesurement of defined benefits through FVTOCI	-	-	(0.52)	(0.52)
Provision for Provident Fund liability	(2.52)	-	-	(2.52)
Expenses claimed for tax purpose on payment basis	(28.25)	4.77	-	(23.48)
Provision for slow moving and obsolete items	(0.39)	0.39	-	-
Total	342.94	46.02	12.39	401.34

2022-23

Property, Plant and Equipment & Intangible Assets	304.94	15.45	-	320.39
Equity Instruments through FVTOCI	77.11	-	(23.40)	53.71
Provision for Provident Fund liability	(2.52)	-	-	(2.52)
Expenses claimed for tax purpose on payment basis	(24.61)	(3.64)	-	(28.25)
Provision for slow moving and obsolete items	(0.56)	0.17	-	(0.39)
Total	354.35	11.98	(23.40)	342.94

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

19. Trade Payables

Micro and Small enterprises have been identified by the Company on the basis of the information available. The relevant disclosures are given below :

* Payment made to suppliers beyond the due date during the year was ₹ Nil (P.Y. ₹ Nil). No interest has been paid to Micro and Small Enterprises as there were no delayed payments. Further, interest accrued and remaining unpaid at the year end is ₹ Nil (P.Y. ₹ Nil).

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
Micro and Small Enterprises*	25.84	30.54
Others	489.16	725.41
Total	515.00	755.95

Disclosures required under section 22 of the Micro, Small and Medium enterprises Development Act 2006 (“MSMED Act”)

(i) Principal amount remaining unpaid to any supplier as at the period end	25.84	30.54
(ii) Interest due thereon	-	-
(iii) Amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period for the purpose of disallowance as a deductible expenditure.	-	-
(iv) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act 2006	-	-
(v) Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

19(i) Ageing Schedule for MSME and other Trade payables

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
F.Y 2023-24						
A. Cases where due date of payment is specified						
(i) MSME	25.72	0.12	-	-	-	25.84
(ii) Others	468.40	20.45	-	-	-	488.85
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	0.31	-	0.31
B. Cases where no due date of payment is specified						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
F.Y 2022-23						
A. Cases where due date of payment is specified						
(i) MSME	29.67	0.87	-	-	-	30.54
(ii) Others	705.65	19.46	-	-	-	725.10
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	0.31	-	-	0.31
B. Cases where no due date of payment is specified						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
20. Other Financial Liabilities		
Unclaimed dividends	54.31	51.25
Payable for Capital Goods	20.89	31.05
Employee Bonus / Exgratia Payable	49.39	32.32
Salary Payable	47.78	61.31
Outstanding Liabilities Expenses	91.62	88.25
Commission Payable to Directors	58.05	93.67
Other Payables	7.08	9.23
Total	329.13	367.08
21. Other Current Liabilities		
Liability for Statutory Payments	133.85	94.05
Contract Liability - Advance from Customers	14.43	10.80
Total	148.28	104.85
22. Provisions		
Provision for employee benefits		
Compensated absences	11.44	24.26
Others		
Others	10.00	11.58
Total	21.44	35.84

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
23. Revenue From Operations		
(a) Sale of products		
Manufactured Goods	8,911.37	11,037.27
Trading Goods	1,372.03	-
(b) Other Operating Revenue		
Sale of Scrap	11.85	17.99
Duty Drawback Scheme benefits	4.65	0.60
Cash Discount Income - Trading Division	7.22	-
Delay Payment Charges - Trading Division	96.39	-
Total	<u>10,403.51</u>	<u>11,055.86</u>
24. Other Income		
Income from Trading of Goods (Net)*	-	23.75
Interest on Fixed and Other Deposits	232.34	205.56
Dividend Income	23.12	15.99
Exchange gains/(losses) on foreign currency	6.91	28.73
Balances / Provisions written back (Net)	-	0.01
Miscellaneous income	-	0.12
Gain/(Loss) on Sale of Asset	8.59	-
Reversal of Provision for Non Moving Stock	1.58	0.67
Total	<u>272.54</u>	<u>274.83</u>
* Refer Note 33(b)		
25. Cost of Materials consumed		
Raw Materials Consumed :		
Opening Stock	948.29	24.59
Add: Purchases	3,394.47	4,099.09
Less: Closing Stock	798.87	948.29
	<u>3,543.89</u>	<u>3,175.39</u>
Packing Materials :		
Opening Stock	4.83	6.08
Add: Purchases	163.81	148.36
Less: Closing Stock	10.87	4.83
	<u>157.77</u>	<u>149.61</u>
Total	<u>3,701.66</u>	<u>3,325.00</u>
26. Purchase of stock in trade		
Purchase of Trading Goods	1,358.41	-
Less: Trade Discount	45.39	-
Total	<u>1,313.02</u>	<u>-</u>

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

	(₹ in Lakhs)	
Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
27. Changes in Inventories of Finished Goods and Work-In-Progress		
Closing Stock		
Finished Goods	634.50	329.58
Work in Progress	233.89	361.05
	868.39	690.63
Less: Opening Stock		
Finished Goods	329.58	110.51
Work in Progress	361.05	34.81
	690.63	145.32
(Increase)/Decrease	(177.76)	(545.31)
28. Employee Benefits Expense		
Salaries and Wages*	971.03	830.81
Contribution to Provident and Other Funds	79.94	65.07
Staff Welfare Expenses	113.13	77.19
Total	1,164.10	973.07
* Including Commission to Executive Chairman & Executive Director		
29. Finance Costs		
<u>Interest on</u>		
Cash Credit Facilities	2.59	1.55
Other	6.22	0.53
<u>Other Borrowing Costs</u>		
Bank Charges	10.61	12.39
Total	19.42	14.47
30. Depreciation and Amortisation Expenses		
Depreciation on PPE (Including Right-of-use Assets)	263.34	169.16
Amortisation of Intangible Assets	2.49	1.52
Total	265.83	170.68

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
31. Other Expenses		
Consumption of stores and spare parts	118.90	75.04
Power and Fuel	696.56	690.62
Factory Expenses	48.72	39.37
Material Handling	111.69	70.85
Repair and Maintenance		
- Buildings	22.38	24.06
- Machinery	99.76	100.64
- Others	12.29	6.39
Rent	41.59	20.21
Insurance	94.27	66.61
Rates and Taxes	6.81	6.41
Legal fees	0.75	2.50
Professional Fees		
- R&D Consultancy fees	48.00	36.00
- Others	122.53	82.08
Payment to Auditors (Refer note (i) below)	11.82	11.42
Director's Sitting fees	10.41	13.12
Commission to Non Executive Directors	7.49	16.29
Printing and Stationery	6.54	6.27
Security Charges	41.68	32.50
House Keeping Expenses	27.87	16.00
Travelling and Motor Car Expenses	103.77	70.62
Research and Development Expenses	4.92	3.98
Corporate Social Responsibility Expenses (Refer note (ii) below)	72.03	60.60
Selling Expenses	100.03	96.06
Recruitment Exp.	10.77	9.98
Job Work Charge	20.29	1.69
Assets Written Off	15.27	-
Impairment Loss on Property, Plant and Equipment	82.37	-
Loss on Sale of Asset	-	9.61
GST Expenses	5.57	22.29
Subscription/membership	9.08	106.75
Miscellaneous Expenses*	28.15	28.54
Total	1,982.32	1,726.50

* None of the item individually accounts for more than ₹ 10,00,000 or 1% of revenue whichever is higher.

(i) **Payment to Auditors :**

(a) **Statutory Auditors**

- As Auditor	8.75	8.75
- For Taxation Service	2.45	2.05
- Reimbursement of Expenses	0.12	0.12

(b) **Cost Auditors**

- As Auditor	0.45	0.45
- As other services	0.05	0.05

Total	11.82	11.42
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Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(ii) **Expenditure towards Corporate Social Responsibility (CSR) activities:**

(a) Gross amount required to be spent by the Company during the year: ₹ 72.02 Lakhs (Previous Year: ₹ 60.60 Lakhs)

(b) **Details of corporate social responsibility expenditure**

	(₹ in Lakhs)	
Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
(a) Amount Required to be spent by the group during the year	72.02	60.60
(b) Amount spent during the year on:		
(i) Construction/acquisition of any Asset	-	-
(ii) On purposes other than (i) above	72.03	60.60
(c) Shortfall at the end of the year	-	-
(d) Details of related party transactions		
Nature of CSR Activities	Promotion of Health Care, Environmental,	Promotion of Education, Health Care & Environmental

32. Disclosure of the aggregate amount of research and development expenditure recognised as an expense during the period - Research and Development (R&D) :

The Company has in-House R&D unit at its registered office and is registered with the Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology, New Delhi.

	(₹ in Lakhs)	
Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Revenue Expenditure	201.53	166.19
Total	201.53	166.19

33(a) Disclosures as per Ind AS- 115 “Revenue from Contracts with Customers”:

1. The Company derives revenues from sale of goods and scrap from its contracts with customers. The revenues have been disclosed in Note No.23 “Revenue from Operations”.

The disaggregation of revenues is as under:

	(₹ in Lakhs)	
Nature	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Revenue from contracts with customers		
Revenues from sale of goods	8,911.37	11,037.27
Revenues from sale of trading goods	1,372.03	-
Other Operating Revenue		
- Revenues from sale of scrap	11.85	17.99
- Duty Drawback Scheme benefits	4.65	0.60
- Cash Discount Income - Trading Division	7.22	-
- Delay Payment Charges-Trading Div.	96.39	-
Total	10,403.51	11,055.86

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

The revenues are further disaggregated into revenues from domestic as well as export market as follows:

Nature	(₹ in Lakhs)			
	Domestic		Exports*	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Sale of goods	8,291.88	9721.69	619.49	1315.58
Sale of trading goods	1,372.03	-	-	-
Other Operating Revenue	120.11	18.59	-	-
Total	9,784.02	9740.27	619.49	1315.58

*Exports on FOB basis Includes Direct Export, Merchant Export, SEZ Sales, Deemed Exports against Advance Authorization License .

2. The movement in Company's receivables, contract assets and contract liabilities are as under:

Particulars	(₹ in Lakhs)		
	Receivables	Contract Assets	Contract Liabilities
Balance as at the beginning of the year	2289.13	-	10.80
Balance as at the end of the year	1670.38	-	14.43
Net Increase/ (Decrease)	(618.75)	-	3.63

The revenue of ₹ 10.80 lakhs (P.Y. ₹ 54.83 lakhs) has been recognised from the carried forward contract liabilities balance as at the beginning of the year.

3. The revenue from contracts with customers for the year includes variable consideration (volume & Rate discounts) of ₹ 139.51 lakhs (P.Y. ₹ 0.50 lakhs), which has been deducted from the transaction price. The company uses expected value method in measuring the variable consideration. There were no constraints in estimating variable consideration.
4. The Company has applied practical expedient referred to in paragraph 121 of Ind AS 115 and accordingly, has not disclosed information related to remaining performance obligations. No consideration from contracts with customers is excluded from the remaining performance obligations.

33(b) Income from Trading of Goods (Net)

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Trading Sales	-	585.26
Less:- Trading Purchase	-	577.41
Net Trading Sales (a)	-	7.85
Cash Discount /Finance Charge Income	-	10.84
Quantity Discount Income	-	5.05
Other Income from Trading Business (b)	-	15.90
Total (a+b)	-	23.75

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
34. Disclosure pursuant to Ind AS 12 on “Income Taxes”		
A. Components of Tax Expenses/(Income)		
a. Profit or Loss Section		
Current Tax	577.03	1425.57
Earlier Year	7.28	7.98
Deferred Tax	46.02	10.78
Income tax expense recognised in the statement of profit or loss	630.33	1444.33
Income tax relating to Other Comprehensive Income		
b. Other Comprehensive Income Section		
Remeasurement of Defined Benefits Plans	(0.52)	1.17
Equity instruments through other comprehensive income	12.91	(23.40)
Income Tax Expense recognised in Other Comprehensive Income	12.39	(22.22)
B. Reconciliation of Income Tax Expense/(Income) and Accounting Profit multiplied by domestic tax rate applicable in India		
Profit before Tax	2,407.46	5,666.28
Corporate Tax Rate as per Income Tax Act, 1961	25.17%	25.17%
Tax on Accounting Profit	605.91	1,426.09
Effect of income exempt from tax	(5.82)	(4.02)
Effect of expenses/provisions not deductible in determining taxable profit	180.77	68.08
Effect of expenses/provisions deductible in determining taxable profit	(157.81)	(53.80)
Tax adjustment of earlier years	7.28	7.98
Income tax expense recognised in the statement of profit or loss	630.33	1,444.33

35. In accordance with Ind AS - 33, “Earnings Per Share”, the Basic and Diluted EPS have been calculated as under:

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Profits available to equity shareholders (₹ in Lakhs)	1,777.13	4,221.95
Weighted Average Number of Equity Shares used for calculating Basic EPS	97,83,350	97,83,240
Weighted Average Number of Equity Shares used as denominator for calculating Diluted EPS	97,85,537	97,92,300
Earnings Per Share of ₹ 10 each		
- Basic (in ₹)	18.16	43.15
- Diluted (in ₹)	18.16	43.12

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

36. Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
(A) Contingent liabilities not provided for in respect of:		
(a) Guarantees issued by the bankers on behalf of the Company	40.00	40.00
(b) Claims against the company not acknowledged as debt	-	6.40
(c) Pending Litigations:		
(i) Income Tax	48.43	52.89
(ii) Service Tax/Excise	66.34	66.34
(iii) Provident Fund	29.50	29.50
(iv) GST	7.44	-
Total	191.72	195.13

(B) Commitments:

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	54.42	862.21

37. Leases

The Company has taken certain warehouses and vehicles on rent for its business operations under leave and license agreements and rent agreements respectively. These are generally not non-cancellable agreements and they are for the periods not exceeding 12 months under the said agreements. The said agreements are renewable by mutual consent on mutually agreeable terms.

Lease Payments recognised during the year:

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Lease Payments - Rent	41.59	20.21
Bus and Car Rent Payments (Included in note no. 28 under Staff Welfare Expenses)	40.36	29.05

The company has adopted Ind AS 116 w.e.f. 1st April 2019. The Company has elected to apply recognition exemption permitted under the said Ind AS and accounted these leases as short-term leases. Hence, the payments in relation to these leases are recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

38. Employee Benefits

The Company has classified various employee benefits as under:

A. Defined Contribution Plans

- i. Provident Fund
- ii. Superannuation Fund

The Provident Fund is operated by the Regional Provident Fund Commissioner and the Superannuation Fund is administered by the LIC of India as applicable for all eligible employees. Under the schemes, the Company is required to contribute a specified percentage of payroll costs to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.

The Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Contribution to Provident Fund	51.74	39.62
Superannuation Fund	2.44	2.22
Total	54.18	41.84

B. Defined Benefit Plans

The Company operates a gratuity plan covering qualifying employees. Under the gratuity plan, the eligible employees are entitled to post retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58, subject to a payment ceiling of ₹ 20 lakhs. The benefit vests upon completion of five years of continuous service as per "The Payment of Gratuity Act" and once vested it is payable to the employee on retirement or on termination of employment. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

The obligations under the compensated absences plan have been determined by Independent Actuary using Projected Unit Credit (PUC) method. Compensated absences is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. At the rate of daily salary, as per current accumulation of leave days.

The provision towards Compensated Absences is as under:

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
Non-Current liability	25.48	47.71
Current liability	11.44	24.26
Total	36.92	71.97

Gratuity is defined benefit plan and Company is exposed to following Risks:

Interest Risk :

A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

Salary Risk :

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk :

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Mortality Risk :

Since the benefits under the plan is not payable for the life time and payable till retirement age only, plan does not have any longevity risk.

C. The Company offers the following employee benefits scheme to its employees

- a. Gratuity (Funded through annual payment to Life insurance corporation of India)
- b. Compensated absences encashment (Unfunded)

a. Gratuity

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

Particulars	Valuation as at	
	31 st March, 2024	31 st March, 2023
i. Discount Rate (per annum)	7.20%	7.30%
ii. Rate of increase in compensation levels (per annum)	6.00%	6.00%
iii. Expected Rate of Return on Assets	7.20%	7.30%
iv. Attrition Rate	30% p.a at Younger ages reducing to 5% p.a	
v. Mortality rate during the employment	Indian Assured Lives Mortality (2012-14) Table	Indian Assured Lives Mortality (2012-14) Table
vi. Actuarial Valuation Method	Projected Unit Credit Method	Projected Unit Credit Method
vii. Retirement Age (years)	58	58
viii. The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc.		
ix. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.		
x. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.		

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

The provision towards the Gratuity is as under:

	(₹ in Lakhs)	
Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Current liability/(Asset)	(15.31)	(3.33)
Total	(15.31)	(3.33)

	(₹ in Lakhs)	
Particulars	For the year ended 31 st March, 2024 Gratuity Funded	For the year ended 31 st March, 2023 Gratuity Funded
i. Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the year	86.36	77.40
Interest Cost	5.04	4.68
Current Service Cost	14.79	14.90
(Benefit Paid From the Fund)	(34.58)	(5.41)
Actuarial (Gains)/ Losses on Obligations - Due to Change in Financial Assumptions	0.44	(1.49)
Due to change in Demographic assumptions	-	(1.22)
Actuarial (Gains)/ Losses on Obligations - Due to Experience	1.30	(2.50)
Present Value of Benefit Obligation at the End of the year	73.36	86.36
ii. Changes in the Fair value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the year	89.70	78.25
Interest Income	5.83	5.25
Contributions by the Employer	28.06	12.14
(Benefit Paid From the Fund)	(34.58)	(5.41)
Return on Plan Assets, Excluding Interest Income	(0.33)	(0.54)
Fair Value of Plan Assets at the End of the year	88.67	89.70
iii. Net (Liability)/Asset Recognised in the Balance Sheet		
(Present Value of Benefit Obligation at the end of the year)	(73.36)	(86.36)
Fair Value of Plan Assets at the end of the year	88.67	89.70
Funded Status (Surplus/ (Deficit))	15.31	3.33
Net (Liability)/Asset Recognised in the Balance Sheet	15.31	3.33
iv. Expenses Recognised in the Statement of Profit or Loss for the Current year		
Current Service Cost	14.79	14.90
Net Interest Cost	(0.79)	(0.57)
Expenses Recognised	14.00	14.33

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024 Gratuity Funded	For the year ended 31 st March, 2023 Gratuity Funded
v. Expenses Recognised in the Other Comprehensive Income (OCI) for Current year		
Actuarial (Gains)/ Losses on Obligation For the year	1.75	(5.21)
Return on Plan Assets, Excluding Interest Income	0.33	0.54
Net (Income)/Expenses For the year Recognised in OCI	2.08	(4.66)
vi. Maturity Analysis of the Benefit Payments : From the Fund		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	17.30	34.64
2nd Following Year	6.82	14.19
3rd Following Year	5.49	5.23
4th Following Year	13.13	4.18
5th Following Year	6.89	12.61
Sum of Years 6 to 10	24.26	20.20
vii. Sensitivity Analysis		
Projected Benefit Obligation on Current Assumptions	73.36	86.36
Delta Effect of +1% Change in Rate of Discounting	(2.93)	(2.05)
Delta Effect of -1% Change in Rate of Discounting	3.13	2.17
Delta Effect of +1% Change in Rate of Salary Increase	2.87	2.11
Delta Effect of -1% Change in Rate of Salary Increase	(2.81)	(1.99)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.10)	(0.15)
Delta Effect of -1% Change in Rate of Employee Turnover	0.05	0.13

Notes on Sensitivity Analysis

- i. Sensitivity analysis for each significant actuarial assumptions of the Company which are discount rate and salary assumptions as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes is presented in the table above.
- ii. In presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.
- iii. There is no change in the method from the previous period and the points /percentage by which the assumptions are stressed are same to those in the previous year.

39. Information on Segment Reporting as per Ind AS 108 on “Operating Segments”

Operating Segments are those components of business whose operating results are regularly reviewed by the Chief Operating Decision making body in the Company to make decisions for performance assessment and resource allocation. The Company has identified two reportable segments, Speciality Chemicals and Trading in fruits & vegetables in terms of Ind AS 108 on “Operating Segments during F.Y 23-24.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

The Comparative Details are as below:

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
A. Segment Revenue		
a. Speciality Chemicals	8,927.87	11,055.86
b. Trading in Fruits and Vegetables	1,475.64	-
Total Revenue	10,403.51	11,055.86
B. Segment Results		
Profit/(Loss) before Tax		
a. Speciality Chemicals	2,264.26	5,666.28
b. Trading in Fruits and Vegetables	162.62	-
Profit/(Loss) before Tax and Finance cost	2,426.88	5,666.28
Less : Finance Cost	19.42	-
Less : Tax Expenses	630.33	1,444.33
Profit /(Loss) after Tax	1,777.13	4,221.95

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
Other Information :		
Segment Assets		
a. Speciality Chemicals	16,095.58	15,143.38
b. Trading in Fruits and Vegetables	422.74	-
Total	16,518.32	15,143.38
Segment Liabilities		
a. Speciality Chemicals	1,440.68	1,654.37
b. Trading in Fruits and Vegetables		
Total	1,440.68	1,654.37
Capital Expenditure during the year		
a. Speciality Chemicals	2,715.73	500.66
b. Trading in Fruits and Vegetables	1.90	-
Total	2,717.62	500.66
Depreciation during the year		
a. Speciality Chemicals	265.83	170.68
b. Trading in Fruits and Vegetables		
Total	265.83	170.68

Notes :

- i. One customer contributed 10% or more to the company's revenue for F.Y. 2023-24 i.e. ₹ 1478.30 lakhs (P.Y. ₹ 1243.20 lakhs).
- ii. The revenue from the said customer pertains to the Speciality Chemicals.
- iii. The Company does not have any other reportable segment in terms of Ind AS 108 on "Operating Segments".

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

40. Related Party Disclosures:

Name of related parties and description of their relationships are as under:

(A) Key Managerial Personnel:

Mr. Amit M Mehta	Executive Chairman
Mr. G. S. Venkatachalam	Executive Director (till 06.02.2024)
Mr. Tanmay Godiawala	Director (06.02.2024 onwards)
Mr. Rajendra Chhabra	Professional Director-Non executive directors
Mr. Dhruv Mehta	Independent Director
Mr. Ambrish Dalal	Independent Director
Mrs. Kejal Pandya	Independent Director

(B) Relative of Key Managerial Personnel:

Mr. Mohak Mehta	Relative of Key Managerial personnel
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(C) Wholly owned Subsidiary (WOS)

DACL Fine Chem Limited	Subsidiary
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(D) Associate

KLJ Organic Diamines Limited	Associate
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(E) Director of WOS:

Mr. Tanmay Godiawala	Director of WOS
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(F) Entities over which Key Managerial Personnel exercise significant influence:

S Amit & Co.
S Amit Speciality Chemicals Pvt. Ltd.
Reaxa Chemistry Solutions LLP
Finorga (I) Pvt. Ltd.
R.S.Chhabra & Co.(Prop. Mr Rajendra Chhabra)

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

The following transactions were carried out with the related parties in ordinary course of business during the year:

Nature of Transaction	Entities over which Key Managerial Personnel exercise significant influence	Key Managerial personnel	Relative of Key Managerial personnel	Wholly owned Subsidiary (WOS)	Director of WOS	(₹ in Lakhs)
						Total
Remuneration paid	-	148.51	23.6	-	20.67	192.80
	-	(163.43)	(24.56)	-	(18.81)	(206.81)
Mr. Amit M Mehta	-	97.91	-	-	-	97.91
	-	(107.23)	-	-	-	(107.23)
Mr. G. S. Venkatachalam	-	50.60	-	-	-	50.60
	-	(56.20)	-	-	-	(56.20)
Mr. Mohak Mehta	-	-	23.60	-	-	23.60
	-	-	(24.56)	-	-	(24.56)
Mr. Tanmay Godiawala	-	6.97	-	-	20.67	27.64
	-	-	-	-	(18.81)	(18.81)
Sitting Fees paid	-	10.41	-	-	-	10.41
	-	(13.12)	-	-	-	(13.12)
Mr. Rajendra Chhabra	-	3.24	-	-	-	3.24
	-	(3.74)	-	-	-	(3.74)
Mr. Ambrish Dalal	-	2.23	-	-	-	2.23
	-	(3.14)	-	-	-	(3.14)
Mr. Dhruv Mehta	-	2.30	-	-	-	2.30
	-	(3.10)	-	-	-	(3.10)
Mrs. Kejal Pandya	-	2.64	-	-	-	2.64
	-	(3.14)	-	-	-	(3.14)
Professional Fees	12.00	-	-	-	-	12.00
	(12.00)	-	-	-	-	(12.00)
R.S.Chhabra & Co.	12.00	-	-	-	-	12.00
(Prop. Mr. Rajendra Chhabra)	(12.00)	-	-	-	-	(12.00)
Commission	-	58.05	-	-	-	58.05
	-	(93.67)	-	-	-	(93.67)
Mr. Amit M Mehta	-	35.13	-	-	-	35.13
	-	(59.23)	-	-	-	(59.23)
Mr. G. S. Venkatachalam	-	15.44	-	-	-	15.44
	-	(18.15)	-	-	-	(18.15)
Mr. Rajendra Chhabra	-	3.40	-	-	-	3.40
	-	(7.40)	-	-	-	(7.40)
Mr. Dhruv Mehta	-	1.36	-	-	-	1.36
	-	(2.96)	-	-	-	(2.96)
Mr. Ambrish Dalal	-	1.36	-	-	-	1.36
	-	(2.96)	-	-	-	(2.96)
Mrs. Kejal Pandya	-	1.36	-	-	-	1.36

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

						(2.96)
						(2.96)
						(₹ in Lakhs)
Nature of Transaction	Entities over which Key Managerial Personnel exercise significant influence	Key Managerial personnel	Relative of Key Managerial personnel	Wholly owned Subsidiary (WOS)	Director of WOS	Total
Reimbursement of Expenses	6.79 (15.67)	9.28 (0.13)	-	-	22.93 (7.11)	39.00 (22.92)
Mr. Amit M Mehta	-	9.05	-	-	-	9.05
Mr. G. S. Venkatachalam	-	0.23 (0.13)	-	-	-	0.23 (0.13)
S Amit Speciality Chemicals Pvt. Ltd.	(0.10)	-	-	-	-	(0.10)
S Amit & Co.	6.79 (15.57)	-	-	-	-	6.79 (15.57)
Mr. Tanmay Godiawala	-	0.24	-	-	22.93 (7.11)	23.17 (7.11)
Reimbursement from related parties	0.76	4.31	-	-	6.89	11.97
Mr. Amit M Mehta	-	4.07	-	-	-	4.07
Mr. G. S. Venkatachalam	-	0.25	-	-	-	0.25
S Amit Speciality Chemicals Pvt. Ltd.	0.52	-	-	-	-	0.52
S Amit & Co.	0.24	-	-	-	-	0.24
Mr. Tanmay Godiawala	-	-	-	-	6.89	6.89
Unsecured Loans/Advances to Subsidiary (WOS)	-	-	-	400.79 (20.89)	-	400.79 (20.89)
DACL Fine Chem Limited	-	-	-	400.79 (20.89)	-	400.79 (20.89)
Interest on Loans to Subsidiary	-	-	-	16.68 (0.18)	-	16.68 (0.18)
DACL Fine chem limited	-	-	-	16.68 (0.18)	-	16.68 (0.18)
Recovery of Interest on Loan	-	-	-	12.83 0.00	-	12.83 -
DACL Fine Chem Limited	-	-	-	12.83	-	12.83

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)						
Nature of Transaction	Entities over which Key Managerial Personnel exercise significant influence	Key Managerial personnel	Relative of Key Managerial personnel	Wholly owned Subsidiary (WOS)	Director of WOS	Total
Investment in Subsidiary (WOS)	-	-	-	-	-	-
DACL Fine chem limited	-	-	-	(1,325.24)	-	(1,325.24)
	-	-	-	(1,325.24)	-	(1,325.24)
Assets transfer to Subsidiary (WOS)	-	-	-	-	-	-
DACL Fine chem limited	-	-	-	(1,325.24)	-	(1,325.24)
	-	-	-	(1,325.24)	-	(1,325.24)
Investment in Associates/ Joint Venture	174.65	-	-	-	-	174.65
	(0.35)	-	-	-	-	(0.35)
KLJ Organic diamines limited	174.65	-	-	-	-	174.65
	(0.35)	-	-	-	-	(0.35)
Unsecured Loans to Associate	70.27	-	-	-	-	70.27
	(360.17)	-	-	-	-	(360.17)
KLJ Organic Diamines Limited	70.27	-	-	-	-	70.27
	(360.17)	-	-	-	-	(360.17)
Recovery of Unsecured Loans from Associates	175.00	-	-	-	-	175.00
KLJ Organic Diamines Limited	175.00	-	-	-	-	175.00
	-	-	-	-	-	-
Interest on Loans to Associate	25.77	-	-	-	-	25.77
	(12.38)	-	-	-	-	(12.38)
KLJ Organic Diamines Limited	25.77	-	-	-	-	25.77
	(12.38)	-	-	-	-	(12.38)
Recovery of Interest on Loan of Associates	11.15	-	-	-	-	11.15
KLJ Organic diamines limited	11.15	-	-	-	-	11.15
	-	-	-	-	-	-
Purchase of Goods (Inclusive of Tax)	30.48	-	-	-	-	30.48
	(135.42)	-	-	-	-	(135.42)
Reaxa Chemistry Solutions, LLP	30.48	-	-	-	-	30.48
	(3.54)	-	-	-	-	(3.54)
Reaxa Limited	-	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

	(131.88)	-	-	-	-	(131.88)
	(₹ in Lakhs)					
Nature of Transaction	Entities over which Key Managerial Personnel exercise significant influence	Key Managerial personnel	Relative of Key Managerial personnel	Wholly owned Subsidiary (WOS)	Director of WOS	Total
Purchase of Capital Goods (Inclusive of Tax)	-	-	-	-	-	-
	(35.40)	-	-	-	-	(35.40)
Reaxa Chemistry Solutions, LLP	-	-	-	-	-	-
	(35.40)	-	-	-	-	(35.40)
Sales of Goods/services (Inclusive of Tax)	43.18	-	-	6.84	-	50.02
	-	-	-	-	-	-
DACL Fine Chem Limited	-	-	-	6.84	-	6.84
	-	-	-	-	-	-
Reaxa Chemistry Solutions, LLP	43.18	-	-	-	-	43.18
	-	-	-	-	-	-
Rent of Office/Accommodation (Inclusive of Tax)	6.97	14.00	-	-	-	20.97
	(6.97)	-	-	-	-	(6.97)
Finorga (I) Pvt. Ltd.	6.97	-	-	-	-	6.97
	(6.97)	-	-	-	-	(6.97)
Mr. Amit M Mehta	-	14.00	-	-	-	14.00
	-	-	-	-	-	-

Amounts in bracket indicate previous year figures.

Balance as at:	(₹ in Lakhs)	
Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Other payable:	62.60	112.53
Remuneration :		
Mr. Amit M Mehta	2.00	8.94
Mr. G. S. Venkatachalam	-	4.64
Mr. Mohak Mehta	-	1.93
Mr. Tanmay Godiawala	2.55	1.71
Reimbursement of Expenses		
Mr. Tanmay Godiawala	-	0.21
Legal & Professional Fees		
R.S.Chhabra & Co. (Prop. Mr. Rajendra Chhabra) - Net of TDS	-	0.90
Commission to Directors:		
Mr. Amit M Mehta	35.13	59.23
Mr. G. S. Venkatachalam	15.44	18.15
Mr. Rajendra Chhabra	3.40	7.40
Mr. Dhruv Mehta	1.36	2.96
Mr. Ambrish Dalal	1.36	2.96
Mrs. Kejal Pandya	1.36	2.96

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

Balance as at:		(₹ in Lakhs)	
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Unsecured Loans:			
DACL Fine Chem Limited	415.78	21.06	
KLJ Organic Diamines Limited	256.68	372.56	
Reaxa Chemistry Solutions, LLP	-	-	
Financial Assets- Others:			
Interest Receivable:			
DACL Fine Chem Limited	8.25	-	
KLJ Organic Diamines Limited	23.19	-	
Trade receivables			
DACL Fine Chem Limited	6.84	-	
Reaxa Chemistry Solutions, LLP	20.23	-	
Trade Payable			
Reaxa Chemistry Solutions, LLP	3.16	-	
Finorga (I) Pvt. Ltd.	1.74	0.53	

Note - 'Terms and Conditions' (i) All outstanding balances are unsecured.

Category-wise break up of compensation to key management personnel is as follows:

		(₹ in Lakhs)	
Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023	
Short-term employee benefits	199.08	240.81	
Post-employment benefits*	-	-	

* Does not include provisions for incremental gratuity and compensated absences liabilities, since the provisions are based on actuarial valuations for the Company as a whole.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

41. Disclosures on financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements.

(a) Financial assets and liabilities:

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as at 31st March, 2024 and 31st March, 2023

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
I. Financial assets:		
Measured at fair value through Other Comprehensive Income (FVTOCI)		
(a) Investments in equity instruments (Quoted)	1,443.16	1,330.28
Total	1,443.16	1,330.28
Measured at amortised cost		
Trade receivables	1,670.38	2,289.13
Cash and cash equivalents	252.92	257.69
Other bank balances	3,535.66	2,437.88
Other financial assets	708.15	407.32
Total	6,167.11	5,392.02
II. Financial liabilities:		
Measured at fair value through Profit and Loss (FVTPL)		
Derivatives		
- Forward Contracts	-	-
Total	-	-
Measured at amortised cost		
Trade payables	515.00	755.95
Other financial liabilities	329.13	367.08
Total	844.13	1,123.03

The carrying value of Financial Assets and Financial Liabilities measured at amortised cost approximates to their fair values.

(b) Capital Management

The company's objective when managing capital is to:

- Safeguard its ability to continue as a going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders.
- Maintain an optimal capital structure to reduce the cost of capital.

The Company's Board of Directors reviews the capital structure on a regular basis. As part of this review, the Board considers the cost of capital, risk associated with each class of capital requirements and maintenance of adequate liquidity.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

Fair Value Measurement:

This note provides information about how the Company determines fair values of various financial assets.

Fair value of the Company's financial assets / financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined.

Particulars	(₹ in Lakhs)					
	As at 31 st March, 2024			As at 31 st March, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Financial assets / liabilities at fair value through other comprehensive income (FVTOCI)						
Financial assets measured at fair value						
Investments in equity Shares -						
Quoted	1,443.16	-	-	1,330.28	-	-
unquoted	-	-	175.00	-	-	-

Valuation technique and key input: Level 1-Quoted bid prices from Stock Exchange

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Reconciliation of Level 3 fair value measurements		
Unlisted shares valued at fair value		
Balance at the beginning of the year	-	0.09
Purchases	175.00	-
Fair value changes	(41.69)	(0.09)
Balance at the end of the year	133.31	-

Reconciliation of Level 3 fair value measurements

Unlisted shares valued at fair value

Balance at the beginning of the year	-	0.09
Purchases	175.00	-
Fair value changes	(41.69)	(0.09)
Balance at the end of the year	133.31	-

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements (except fair value of investments in equity instruments and Derivatives - Forward Contracts) approximate their fair values.

There has been no transfers between level 1, level 2 and level 3 for the years ended 31st March, 2024.

2. Disclosure related to Derecognition of investments in equity instruments measured at fair value through other comprehensive income during the reporting period;
 - (a) **the reasons for disposing of the investments** - The company has not disposed of certain long term investments in equity instruments in current year.
 - (b) **the fair value of the investments at the date of derecognition** - Sale Price on the date of sale.
 - (c) **the cumulative gain or loss on disposal** - Gain on disposal ₹ NIL (P.Y Loss ₹ 4.22 Lakhs)

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(c) Financial risk management:

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Company's principal financial liabilities comprise of borrowings (if any), trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations in selective instances. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and investments. The company is exposed to market risk, credit risk, liquidity risk etc. The objectives of the Company's financing policy are to secure solvency, limit financial risks and optimise the cost of capital. The Company's capital structure is managed using equity and debt ratios as part of the Company's financial planning.

(a) Market risk:

Market risk is the risk that changes in market prices- such as foreign exchange rates, interest rates and equity prices- will affect the Company's income or the value of its holdings of financial instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return. The major components of market risk are foreign currency risk, interest rate risk and price risk.

(i) Foreign Currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

Foreign currency exposure as at 31st March are hedged as per the policy of the company

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Amount in Foreign currency	₹ in Lakhs	Amount in Foreign currency	₹ in Lakhs
Payable USD	4,71,467.40	393.23	7,89,783.30	654.55

Foreign Currency Sensitivity:

The Company is principally exposed to foreign currency risk against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables. As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

USD sensitivity at year end	₹ in Lakhs	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Assets:		
Weakening of INR by 5%	-	-
Strengthening of INR by 5%	-	-
Liabilities:		
Weakening of INR by 5%	(19.66)	(32.01)
Strengthening of INR by 5%	19.66	32.01

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

Forward foreign exchange contracts

It is the policy of the Company to enter into forward foreign exchange contracts to cover foreign currency payments in USD. The Company enters in to contracts with terms up to 120 days.

Forward cover is obtained from bank for each of the aggregated exposures and the Trade deal is booked. The forward cover deals are all backed by actual trade underlines and settlement of these contracts on maturity are by actual delivery of the hedged currency for settling the underline hedged trade transaction.

Though the forward contracts are not designated as hedging instruments, they are used for hedging foreign currency exposure and outstanding as at year ended 31st March, 2024 and 31st March, 2023 are as under:-

Outstanding contracts	Average exchange rates		Foreign Currency	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
USD-Sell	83.40	82.88	4,71,467.40	7,89,783.30

(₹ in Lakhs)

Outstanding contracts	Nominal Amounts		Fair Value	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
In INR	393.23	654.55	393.23	654.55
Total	393.23	654.55	393.23	654.55

(II) Interest rate risk:

The Company invests the surplus fund generated from operations in bank deposits . Bank deposits are made for a period of up to 12 months and carry interest rate of 5%-7.25% as per prevailing market interest rate. Considering these bank deposits are short term in nature, there is no significant interest rate risk. There is no significant utilisation of borrowings.

(III) Price risk:

The Company's equity securities price risk arises from investments held and classified in the balance sheet at fair value through OCI. The Company's equity investments in Securities are publicly traded.

Price sensitivity analysis:

The sensitivity of profit or loss in respect of investments in equity shares at the end of the reporting period for +/-5% change in price and net asset value is presented below:

Other comprehensive income for the year ended 31st March, 2024 would increase / decrease by **₹ 72.16 Lakhs** (P.Y. ₹ 66.51 Lakhs) as a result of 5% changes in fair value of equity investments measured at FVTOCI.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(b) Credit risk:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in equity instruments and trade receivables.

None of the financial instruments of the Company result in material concentrations of credit risks, which may result into financial loss for the company.

(c) Liquidity risk:

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company may be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹ in Lakhs)

Particulars	Less than 1 year	1 Years to 3 Years	3 Years to 5 Years	5 Years and above
As at 31st March, 2024				
Trade payables	514.69	0.31	-	-
Other Financial Liabilities	329.13	-	-	-
Total	843.82	0.31	-	-
As at 31st March, 2023				
Trade payables	755.64	0.31	-	-
Other Financial Liabilities	367.08	-	-	-
Total	1,122.72	0.31	-	-

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

42. Disclosures on Financial Ratios

Ratio	Numerator	Denominator	31-Mar-24	31-Mar-23	Variance %	Reason for variance
Current ratio	Current Assets	Current Liabilities	7.77	5.46	0.43	Current Assets ratio Increased due to Increased Fixed deposits, inventory.
Debt-Equity Ratio	Total Debt	Shareholder's Equity	-	-	-	
Debt Service Coverage ratio	Earnings available for debt service (1)	Debt Service (2)	-	-	-	
Return on Equity ratio	Net Profits after taxes - Preference Dividend (if any)	Average Shareholder's Equity	12.44%	35.91%	-65.35%	Return on Equity ratio decreased on account of decrease in Net earning of the company.
Inventory Turnover ratio	Cost of goods sold	Average Inventory	2.83	2.91	-0.02	No major changes.
Trade Receivable Turnover Ratio	Net Credit Sales (3)	Average Accounts Receivable	5.25	7.37	-0.29	Decrease due to reduction in annual turn over.
Raw Material Trade Payable Turnover Ratio (4)	Net Credit Purchases	Average Trade Payables	6.54	11.11	-0.41	Decreases due to reduction in RM Purchase compared to previous year.
Net Capital Turnover Ratio	Net Sales (5)	Working Capital (6)	1.51	1.96	-0.23	Net Capital Turnover ratio decreases due to Overall decrease in revenue from operations as compared to previous year.
Net Profit ratio	Net Profit	Net Sales (5)	17.08%	38.19%	-55.27%	Net Profit ratio decreased on account of reduction in Average sales price of material mix as well as increase in cost of raw material consumed during the year.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed (7)	15.65%	40.93%	-61.76%	Return on capital employed ratio decreased on account of decrease in EBIT of the company
Return on Investment	Income from invested funds (8)	Average Invested Funds (9)	6.88%	8.87%	-22.43%	

(1) Net Profit after taxes + Non-cash operating expenses (like depreciation and other amortizations) + Interest + Other Adjustments (like Loss on sale of PPE)

(2) Interest & Lease Payments + Principal Repayments

(3) Gross Credit Sales - Sales Return

(4) Gross Credit Purchases - Purchase Return

(5) Total Sales - Sales Return

(6) Current Assets - Current Liabilities

(7) Tangible Net Worth + Total Debt + Deferred Tax Liability

(8) Income generated from invested funds represents Interest Income, Actual Gain / (Loss) on Sale of Investments in Shares / Mutual Funds and Notional Gain / (Loss) on unsold investments in Shares / Mutual Funds

(9) Average invested funds represents Average Investments in Fixed deposits, Equity Shares and Mutual Funds

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

43. Employee Stock Option

At the 45th Annual General Meeting of the Company held on July 20, 2021 members of the company passed a special resolution to introduce and implement Company's Employees Stock Option Scheme called "DACL - Employees Stock Option Plan 2021" ("the Scheme"). Thereafter during the year under review, the Company has received in-principle approval of 2,00,000 shares from the BSE Limited on December 16, 2021.

During the year, the Company has granted 2127 (Grant 8) Stock Option (Previous year: stock options 9060 grant 1 to 7) to the employees as Reward/Joining bonus for the year ended March 31, 2024. During the year ended 31st March, 2024. The Company has charged to statement of profit and loss as Employee benefit Expenses of ₹ 6.51 Lakhs (P.Y. ₹ 7.42 Lakhs) and the balance in employee share option outstanding a/c as at **March 31, 2024 is ₹ 2.76 lakhs.** (March 31, 2023 ₹ 7.42 lakh)

1. Option Movement during the year ended 31st March, 2024

Grant no.	1	2	3	4	5	6	7	8
Fair value/Weighted average price per ESOP option (in ₹)	276.27	275.12	348.7	221.16	349.24	413.41	285.53	553.26
Number of options outstanding at beginning of the year	2500	810	1500	1000	750	1500	1000	-
Add: Number of options granted during the year	-	-	-	-	-	-	-	2127
Less: Number of options forfeited / lapsed during the year	2500	-	1500	1000	750	1500	1000	-
Less: Number of options exercised during the year	-	750	-	-	-	-	-	-
Number of options outstanding at the end of the year	-	60	-	-	-	-	-	2127
Weighted average years of expiry	4 years	1 years	3 years	3 years	4 years	4 years	4 years	4 years

2. Option Movement during the year ended 31st March, 2023

Grant no.	1	2	3	4	5	6	7
Fair value/Weighted average price per ESOP option (in ₹)	276.27	275.12	348.7	221.16	349.24	413.41	285.53
Number of options outstanding at beginning of the year	2500	810	1500	1000	750	1500	1000
Add: Number of options granted during the year	-	-	-	-	-	-	-
Less: Number of options forfeited / lapsed during the year	-	-	-	-	-	-	-
Less: Number of options exercised during the year	-	-	-	-	-	-	-
Number of options outstanding at the end of the year	2500	810	1500	1000	750	1500	1000
Weighted average years of expiry	4 years	2 years	3 years	3 years	4 years	4 years	4 years

3. Details of Employee Stock options Plans

Summary of the general terms of the grant under stock option plans are as under

Particulars	Summary of the general terms of the grant under stock option plans are as under							
	1	2	3	4	5	6	7	8
Grant no.	1	2	3	4	5	6	7	8
Grant Date	11-05-22	11-05-22	10-08-22	10-08-22	10-08-22	06-02-23	06-02-23	03-08-23
Number of Options granted	2500	810	1500	1000	750	1500	1000	2127
Option value as on grant date								
Fair value/Weighted average price per ESOP option (in ₹)	276.27	275.12	348.7	221.16	349.24	413.41	285.53	553.26
Face value per ESOP option (in ₹)	10	10	10	10	10	10	10	10
Value of Option (in ₹)	690683	222851	523050	221160	261930	620115	285530	1176784
Parameters of Fair value of options as on grant date								
Stock price as on grant date (in ₹)	283.8	283.8	356.8	356.8	356.8	420.9	420.9	587.65
Exercise Price (in ₹)	10	10	10	178	10	10	210.45	10
Volatility (%)	44.99	44.99	42.80	42.8	42.80	51.58	51.58	56.87
Risk Free rate (%)	7.10	7.10	7.01	7.01	7.01	7.21	7.21	7.18
Dividend Yield								1.17%
Expected life of the option	4 years	2 years	3 years	3 years	4 years	4 years	4 years	4 years
Method of Settlement								Equity Shares
Option valuation Method								Black-Scholes Model
Method of Accounting								Fair value method

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

4. Vesting Condition

Vesting shall be computed through past performance (Reward Option plan) and future Performance (Retention option plan) evaluation method based on conditions Pre-communicated to employees.

Vesting of the Stock Options may commence after the expiry of a minimum period of 1 (one) year from the date on which the options were granted, and may extend up to such time as may be decided at the discretion of the Committee from the date of grant provided that the vesting period shall not exceed 5 (five) years. The vesting may occur in tranches, and may be subject to such terms and conditions of vesting, as may be stipulated by the Committee, in its sole and exclusive discretion.

44. The Company does not have any Immovable Property whose title deeds are not held in the name of the Company.

45. The Company does not have any transactions with struck-off companies.

46. The company has sought balance confirmations from trade receivables and trade payables, wherever such balance confirmations are received by the Company, the same are reconciled and appropriate adjustments if required, are made in the books of account.

47. The previous year's figures have been regrouped/rearranged wherever necessary to make it comparable with the current year.

48. Approval of Standalone Financials Statements

The Standalone Financial Statements were approved for issue by the Board of Directors on 24th May, 2024. (adjourned)

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Shripal Shah
Partner
Membership No. 114988
Place : Vadodara
Date : 24th May, 2024

For and on behalf of the Board

Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 24th May, 2024

Tanmay Godiawala
Director
DIN: 07084668
Place : Mumbai
Hemaxi Pawar
Company Secretary

INDEPENDENT AUDITOR’S REPORT

To the Members of
Diamines and Chemicals Limited
Report on the Audit of the Consolidated Financial Statements
Opinion

We have audited the accompanying consolidated financial statements of **Diamines and Chemicals Limited** (hereinafter referred to as “the Holding Company” or “the Company”) and its subsidiary (collectively referred to as “the Group”), and its associate which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration on the other financial statements / information of the associate as referred to in the “Other Matters” paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (‘Ind AS’) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2024, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI), together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI’s 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 financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
1	<p>Litigations and claims (Refer to note 35(A) to the consolidated financial statements)</p> <p>In case of holding company, the cases are pending with multiple tax authorities like Income Tax, Excise / Service Tax and Provident Fund Authority etc.</p>	<p>Our audit procedures, inter alia, included the following:</p> <ul style="list-style-type: none"> · Evaluation of holding company’s management’s judgment of tax risks, estimates of tax exposures, other claims and contingencies. Past and current experience with the tax authorities and management’s response on the subject matter were used to assess the appropriateness of management’s best estimate of the most likely outcome of each uncertain contingent liability.

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
	<p>In normal course of business, financial exposures may arise from pending proceedings and from litigation and claims. Whether a claim needs to be recognised as liability or disclosed as contingent liability in the consolidated financial statements is dependent on number of significant assumptions and judgments. The amounts involved are potentially significant and determining the amount, if any, to be recognised or disclosed in the consolidated financial statements, is inherently subjective.</p> <p>We considered the above area as a key audit matter due to associated uncertainty related to the outcome of these matters and application of material judgement in interpretation of law.</p>	<ul style="list-style-type: none"> · Understanding the current status of the tax assessments & other litigations and discussing selected matters with the holding company's management. · Assessing the holding company's assumptions and estimates in respect of claims, included in the contingent liabilities disclosed in the consolidated financial statements. · Assessment of the probability of negative result of litigation and the reliability of estimates of related obligations. <p>Conclusion:</p> <p>Based on procedure described above, we did not identify any material exceptions relating to management's assertions, and treatment, presentation and disclosure of the subject matter in the consolidated financial statements.</p>

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance Report and Shareholder's Information but does not include the consolidated financial statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

Our opinion on the consolidated 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records,

relevant to the preparation and presentation of the consolidated 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 financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its associate are responsible for assessing the ability of the Group and its associate 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 consolidated 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 Group and its associate have adequate internal financial controls with reference to consolidated financial statements 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 ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 and its associate to express an opinion on the consolidated financial statements. For the entities included in the consolidated financial statements, which have been audited by us, we remain responsible for the direction, supervision and performance of the audits carried out by us. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and the subsidiary included in the consolidated financial statements of which we are the independent auditors 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 financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' 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 Matter

- (i) We have audited the financial statements of wholly owned subsidiary, whose financial statements reflect total assets of ₹ 1567.05 Lakhs as at March 31, 2024 (P.Y. ₹ 1330.93 Lakhs), total revenues of ₹ 5.13 Lakhs (P.Y.Nil), Net profit/(loss) after tax ₹ (195.45) Lakhs (P.Y. ₹ (23.44) Lakhs), total comprehensive income (comprising of Loss and other comprehensive income) of ₹ (195.45) Lakhs (P.Y. ₹ (23.44) Lakhs) and net cash inflows / (outflows) amounting to ₹ (1.81) Lakhs (P.Y. ₹ (11.86) Lakhs) for the year ended on that date, as considered in the consolidated financial statements.
- (ii) The consolidated financial statements also include the Group's share of net profit / (loss) ₹ (41.69) Lakhs (P.Y. ₹ (0.35) Lakhs) for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of the associate, whose financial statements / information have not been audited by us. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on the report of the other auditor.

Our opinion on the consolidated financial Statements is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on consideration of report on separate financial statements and on other financial information of Subsidiary and management certified financial statements / information of associate, as noted in "Other Matters" paragraph above, 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 purposes of our audit of the aforesaid consolidated financial statements;
 - b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
 - c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements;
 - d. in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act;

- e. on the basis of the written representations received from the directors of the Holding Company and its associate company as on March 31, 2024 and taken on record by the respective Board of Directors of the Holding Company and its associate company and based on the separate audit report of subsidiary company, which are companies incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on March 31, 2024 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 with reference to consolidated financial statements of the Group and its associate and the operating effectiveness of such controls, refer to our separate report in “Annexure A”.
- g. with respect to the other matters to be included in the Auditors’ Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company, to its directors during the year is in accordance with the provisions of section 197 of the Act and no remuneration is paid to directors of subsidiary and associate incorporated in India;and
- h. with respect to the other matters to be included in the Auditors’ 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 and based on consideration of management certified financial statements / information, as noted in other matters paragraph:
- i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate - Refer Note 35(A) to the consolidated financial statements;
- ii. the Group and its associate did not have any long term contracts including derivative contracts for which there were material foreseeable losses as at March 31, 2024;
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its associate incorporated in India.
- iv. (a) the respective managements of the Holding Company and its subsidiary and associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that and based on management certified financial statements / information of the associate, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary or associate to or in any other person or entity, 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 Holding Company or any of such subsidiary or associate (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) the respective managements of the Holding Company and its subsidiary and associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that and based on management certified financial statements / information of the associate, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiary or associate from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary or associate 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;

- (c) based on the audit procedures 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), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note 14(iii) to the consolidated financial statements
 - (a) The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.
 - (b) The Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail facility has been operating throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from the period April 1, 2023 reporting under Rule 11(g) of the Companies Act (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ending March 31, 2024.

- 2. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us in respect of Holding Company and Subsidiary included in the consolidated financial statements, we report that there are no qualifications or adverse remarks in these CARO reports. In respect of an associate included in the consolidated financial statements, whose audit under section 143 of the Act has not yet been completed, the CARO report as applicable is not available and consequently have not been provided to us on the date of this audit report.

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Shripal Shah
Partner
Membership No. 114988
UDIN: 24114988BKALZR8696

Place : Vadodara
Date : May 24, 2024

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **Diamines and Chemicals Limited** on the consolidated financial statements of evendate)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause(i) of Sub section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to consolidated financial statements of **Diamines and Chemicals Limited** (“the Company”) (hereinafter referred to as “the Holding Company”) and its subsidiary (collectively referred to as “the Group”) read with “Other Matter” paragraph below in respect of associate, in conjunction with our audit of the consolidated financial statements of the Company for the year ended March 31, 2024.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary and its associate are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective Companies 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 (“ICAI”). 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 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 Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of Holding Company, its subsidiary and its associate, which are companies incorporated in India 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, issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls with reference to consolidated Financial Statements and both issued by the ICAI. 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 with reference to consolidated financial statements were 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 auditors’ judgement, including the assessment of the risks of material misstatement of the consolidated 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 with reference to consolidated financial statements of the Holding Company, its subsidiary read with “Other Matter” paragraph below in respect of associate, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A Company’s internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation

of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to consolidated financial statements 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 consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements 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 and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary which are companies incorporated in India have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Group 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to associate company, which are companies incorporated in India, is based on the reviewed reports of such company incorporated in India by other auditor.

Our opinion is not modified in respect of above matter.

For K C Mehta & Co LLP

Chartered Accountants

Firm's Registration No. 106237W/W100829

Shripal Shah

Partner

Membership No. 114988

UDIN: 24114988BKALZR8696

Place : Vadodara

Date : May 24, 2024

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in Lakhs)			
Particulars	Note No.	As at 31 st March,2024	As at 31 st March,2023
(I) ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	4A	6,529.52	4,005.46
(ii) Intangible assets	4B	8.63	0.97
(b) Capital work-in-progress	4C	82.95	2,139.30
(c) Financial Assets			
(i) Investments			
(A) Investments	5A	1,443.16	1,330.28
(B) Investments accounted for using Equity Method	5B	133.31	-
(ii) Others	6	294.12	386.46
(d) Other non-current assets	7	268.47	368.33
Total Non-Current Assets		8,760.16	8,230.80
(2) Current Assets			
(a) Inventories	8	1,735.78	1,683.47
(b) Financial Assets			
(i) Trade receivables	9	1,669.59	2,289.13
(ii) Cash and cash equivalents	10	254.47	261.05
(iii) Other bank balances	11	3,535.66	2,437.88
(c) Current Tax Assets (Net)	12	152.67	80.43
(d) Other current assets	13	159.24	124.89
Total Current Assets		7,507.41	6,876.85
TOTAL ASSETS		16,267.57	15,107.65
(II) EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	978.40	978.32
(b) Other Equity	15	13,833.01	12,474.22
Total Equity		14,811.41	13,452.54
Liabilities			
(1) Non-Current Liabilities			
(a) Provisions	16	25.48	47.71
(b) Deferred Tax Liabilities (Net)	17	401.35	342.94
Total Non-Current Liabilities		426.83	390.65
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	18		
(A) due to micro enterprises and small enterprises		26.16	30.54
(B) due to other than micro enterprises and small enterprises		493.27	725.53
(ii) Other financial liabilities	19	337.76	367.65
(b) Other current liabilities	20	150.69	104.90
(c) Provisions	21	21.44	35.84
Total Current Liabilities		1,029.32	1,264.46
Total Liabilities		1,456.15	1,655.11
TOTAL EQUITY AND LIABILITIES		16,267.57	15,107.65

Material Accounting Policies and Notes to the Consolidated Financial Statements

1-48

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Shripal Shah
Partner
Membership No. 114988
Place : Vadodara
Date : 24th May, 2024

For and on behalf of the Board

Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 24th May, 2024

Tanmay Godiawala
Director
DIN: 07084668
Place : Mumbai
Hemaxi Pawar
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
I Revenue from Operations	22	10,402.84	11,055.86
II Other Income	23	255.86	274.65
III Total income (I+II)		10,658.70	11,330.51
IV EXPENSES			
Cost of materials consumed	24	3,707.02	3,325.00
Purchase of stock in trade	25	1,313.02	-
Changes in inventories of Finished goods and work-in-progress	26	(182.71)	(545.31)
Employee benefits expense	27	1,222.14	974.36
Finance costs	28	19.51	14.47
Depreciation and Amortisation expense	29	285.12	178.27
Other expenses	30	2,075.53	1,748.68
Total expenses (IV)		8,439.63	5,695.47
V Profit before tax (III-IV)		2,219.07	5,635.04
VI Tax expense:			
(a) Current Tax	33	577.03	1,425.57
(b) Tax relating to Earlier Years	33	7.28	7.98
(c) Deferred Tax	33	46.02	10.78
VII Profit for the year (V-VI)		1,588.74	4,190.71
VIII Share of Profit/ (Loss) of Associate		(41.69)	(0.35)
IX Net Profit after taxes and Share of Profit/ (Loss) of Associate (VII+VIII)		1,547.05	4,190.36
X Other Comprehensive Income (OCI)			
A. Items that will not be reclassified subsequently to profit or loss :			
(i) Remeasurement gain/(loss) on the Defined Benefit Plans		(2.08)	4.66
(ii) Gain/(Loss) on measuring equity instruments at Fair Value carried through Other Comprehensive Income (FVTOCI)		112.91	(209.50)
(iii) Income tax on above		(12.39)	22.22
B. Items that will be reclassified subsequently to profit or loss :		-	-
XI Total Comprehensive Income for the year ((IX+X))		1,645.48	4,007.74
Profit for the year attributable to:			
- Owners of the Company		1,547.05	4,190.36
- Non-controlling interests		-	-
Other comprehensive income for the year			
- Owners of the Company		98.44	(182.62)
- Non-controlling interests		-	-
Total comprehensive income for the year			
- Owners of the Company		1,645.48	4,007.74
- Non-controlling interests		-	-
XII Earnings per equity share			
(Face Value of ₹ 10 each) - (not annualised)	34		
Basic (₹)		16.24	42.84
Diluted (₹)		16.23	42.80

Material Accounting Policies and

Notes to the Consolidated Financial Statements

1-48

As per our report of even date attached

For and on behalf of the Board

For K C Mehta & Co LLP

Chartered Accountants

Firm's Registration No. 106237W/W100829

Shripal Shah

Partner

Membership No. 114988

Place : Vadodara

Date : 24th May, 2024

Amit Mehta

Executive Chairman

DIN: 00073907

Place : Mumbai

Dipen Ruparelia

Chief Financial Officer

Place : Vadodara

Date : 24th May, 2024

Tanmay Godiawala

Director

DIN: 07084668

Place : Mumbai

Hemaxi Pawar

Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Lakhs)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax*	2177.38	5634.69
Adjustments for:		
Depreciation / Amortisation / Impairment of Property, Plant and Equipment and Intangible Assets	285.12	178.27
Impairment of Property, Plant & Equipment	82.37	-
Write off of Property, Plant & Equipment	15.27	-
Share of Loss of Associate	41.69	0.35
Loss on Slump sale	-	-
Dividend Income	(23.12)	(15.99)
Interest Income	(215.66)	(205.56)
Finance Costs	19.51	14.47
(Profit)/Loss on sale of Property, Plant and Equipment asset written off	(8.59)	9.61
Unrealised Loss/(Gain) on Foreign Exchange	10.72	(9.70)
Provision for Doubtful Receivables/Advances/Sundry balances written off	-	0.50
Provision/Advances/Sundry Balances written back	(1.58)	(0.68)
Other adjustments for non-cash items	6.13	-
Operating Profit/(Loss) before changes in working capital	<u>2,389.23</u>	<u>5,605.96</u>
Adjustment for (Increase)/Decrease in Operating Assets		
Trade Receivables	619.54	(1,287.52)
Inventories	(52.31)	(1,453.07)
Financial Assets and Other Assets	(34.35)	(45.01)
Long-term Loans and Advances and Other Non-current Assets	192.20	(368.13)
Adjustment for Increase/(Decrease) in Operating Liabilities		
Trade Payables	(247.52)	527.38
Other Financial Liabilities	(29.89)	176.09
Other Liabilities and provisions	9.16	(62.85)
Cash flow from operations after changes in working capital	<u>2,846.07</u>	<u>3,092.86</u>
Income-tax paid	(656.45)	(1,464.40)
Net Cash Flow from/(used in) Operating Activities (A)	<u>2,189.62</u>	<u>1628.46</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Received	215.66	205.56
Dividend Received	23.12	15.99
Purchase of Equity Instruments	(174.65)	(277.07)
Sale of Equity Instruments	-	8.75
Purchase of Property, Plant and Equipment, Intangible assets including CWIP & Capital Advances	(860.83)	(2,329.03)
Sale of Property, Plant and Equipment	11.20	0.17
Bank Balances not considered as Cash and Cash Equivalents	(1,097.78)	1509.35
Net Cash Flow from/(used in) Investing Activities (B)	<u>(1,883.28)</u>	<u>(866.28)</u>

(₹ in Lakhs)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance Costs	(19.51)	(14.47)
Payment of Dividend & Tax on Dividend	(293.50)	(586.99)
Equity issued to Employees vide ESOP	0.08	-
Net Cash Flow from/(used in) Financing Activities (C)	<u>(312.93)</u>	<u>(601.46)</u>
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(6.58)	160.72
Cash & Cash Equivalents at beginning of period (see Note 1)	<u>261.05</u>	<u>100.33</u>
Cash and Cash Equivalents at end of period (see Note 1)	<u>254.47</u>	<u>261.05</u>

Notes:

1 Cash and Cash equivalents comprise of:

Cash on hand	1.56	0.21
Balance with Banks	<u>252.91</u>	<u>260.84</u>
Cash and Cash equivalents	<u>254.47</u>	<u>261.05</u>

2 The above Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard 7 - "Statement of Cash Flows".

(* includes share of loss from Associate)

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829
Shripal Shah
Partner
Membership No. 114988
Place : Vadodara
Date : 24th May, 2024

For and on behalf of the Board
Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 24th May, 2024

Tanmay Godiawala
Director
DIN: 07084668
Place : Mumbai
Hemaxi Pawar
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

A. Equity Share Capital		(₹ in Lakhs)
Particulars	Amount	
Balance as at 31 st March, 2022	978.32	
Additions/(Reductions)	-	
Balance as at 31 st March, 2023	978.32	
Additions/(Reductions) *	0.08	
Balance as at 31st March, 2024	978.40	

*Equity shares issued upon exercise of options under employee share option plan as per note no.43

B. Other Equity		(₹ in Lakhs)				
Particulars	Reserves & Surplus			Equity Instruments carried through OCI	Equity Stock Option Reserve	Total
	General Reserve	Share Premium	Retained Earnings			
Balances as at 31 st March,2022	517.12	-	7,942.45	581.48	-	9,041.05
Movement during the year:						
Profit for the period	4190.36					4190.36
Stock Option Outstanding A/c				7.42		7.42
Other Comprehensive Income for the year, net of income tax*	3.49					3.49
Net fair value gain/(loss) on investment in equity instrument carried through OCI, net of income tax				(186.08)	(186.08)	
Gain / (Loss) on sale of Investment				4.98	4.98	
Payment of Dividend (Interim & Final)				(586.99)	(586.99)	
Balances as at 31 st March, 2023	517.12	-	11,549.31	400.38	7.42	12,474.22
Movement during the year:						
Profit for the period	1,547.05					1,547.05
Transfer from Equity Stock Option Reserve on lapsed options				(9.18)		-
Other Adjustment						0.32
ESOP expense provision during the year						6.51
Share Premium on Share option exercised	1.99				(1.99)	-
Other Comprehensive Income for the year, net of income tax*	(1.56)					(1.56)
Net fair value gain/(loss) on investment in equity instrument carried through OCI, net of income tax				99.97	99.97	
Gain / (Loss) on sale of Investment						-
Payment of Dividend (Final)				(293.50)	(293.50)	
Balances as at 31st March, 2024	517.12	1.99	12,810.80	500.35	2.76	13,833.01

* Represents remeasurement gain / (loss) on the Defined Benefit Plans

Material Accounting Policies and

Notes to the Consolidated Financial Statements

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As per our report of even date attached

For and on behalf of the Board

For K C Mehta & Co LLP

Amit Mehta

Tanmay Godiawala

Chartered Accountants

Executive Chairman

Director

Firm's Registration No. 106237W/W100829

DIN: 00073907

DIN: 07084668

Shripal Shah

Place : Mumbai

Place : Mumbai

Partner

Dipen Ruparelia

Hemaxi Pawar

Membership No. 114988

Chief Financial Officer

Company Secretary

Place : Vadodara

Place :Vadodara

Date : 24th May, 2024

Date :24th May, 2024

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

1. Corporate Information

The Consolidated Financial Statements comprise Financial statements of “Diamines and Chemicals Limited” (“the Holding company” or “Parent Company”) and its subsidiary (collectively referred as “the Group”) and the Group’s interest in associate for the year ended March 31, 2024.

The Holding company is a domestic public limited company incorporated and domiciled in India having its registered office at Plot No. 13, New IPCL Rd, PCC Area, Vadodara, Gujarat. The Holding Company’s shares are listed and traded on the BSE Limited and National Stock Exchange of India Limited.

The Holding company has its Wholly owned Subsidiary (DACL Fine Chem Limited) domiciled in India. The Group is mainly engaged in business of manufacturing and marketing of organic chemicals compounds.

1.1 Statement of Compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under Section 133 of The Companies Act, 2013 (the “Act”) read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act as amended from time to time, 2013.

1.2 Recent pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31st March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

1.3 Basis of Preparation of Financial Statements

The Consolidated Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments that are measured at fair values / amortized cost / net present value at the end of each reporting period, as explained in the accounting policies below. These accounting policies have been applied consistently over all the periods presented in these consolidated financials statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Accordingly, all assets and liabilities have been classified as current or non-current as per the Group’s operating cycle and other criteria set out in Ind AS-1 ‘Presentation of Financial Statements’ and Schedule III to the Companies Act, 2013.

Items included in the Consolidated Financial Statements of the Group are measured using the currency of the primary economic environment in which the Group operates (“functional currency”). The Consolidated Financial Statements of the Group are presented in Indian currency (INR), which is also the functional and presentation currency of the Group. All values are rounded off to the nearest two decimal lakhs, unless otherwise indicated.

1.4 Principles of Consolidation:

Subsidiary:

The Consolidated Financial Statements incorporate the financial statements of the Company and its subsidiaries (collectively referred as “the Group”).

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date of their acquisition, being the date on which the Company obtains control and continue to be consolidated until the date that such control ceases.

The Consolidated Financial Statements are prepared using uniform accounting policies consistently for material like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company’s Standalone Financial Statements except otherwise stated. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies.

The Consolidated Financial Statements have been prepared by combining the financial statements of the company and its subsidiaries on a line-by-line basis by adding together the book values of like items of assets, liabilities, equity, income, expenses and cash flow after eliminating in full intra-group assets, liabilities, equity, income, expenses and cash flow relating to intra-group transactions and unrealized profits. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Such unrealized profit/losses are fully attributed to the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group’s ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in the consolidated statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to the consolidated statement of profit and loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109.

Associate:

The Group’s interests in equity accounted investees comprise interests in associates.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s share of profit or loss and OCI of equity accounted investees until the date on which significant influence ceases.

Fair Value Measurement

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 under current market conditions.

The Company categories assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (i) Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities
- (ii) Level 2: inputs are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (iii) Level 3: inputs are unobservable for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

For assets and liabilities that are recognised in the Standalone 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.

2. Material Accounting Policies

(i) Property, Plant and Equipment

The Holding Company has elected to continue with the carrying value of its Property Plant & Equipment (PPE) recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

Property, Plant & Equipment (PPE) comprises of Tangible assets and Capital Work in progress. PPE are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation and accumulated impairment losses, if any; until the date of the Balance Sheet. The cost of PPE comprises of its purchase price or its construction cost (net of applicable tax credit, if any), any cost directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Direct costs are capitalized until the asset is ready for use and includes borrowing cost capitalised in accordance with the Group's accounting policy.

Capital work in progress includes the cost of PPE that are not yet ready for the intended use.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss.

As per internal technical evaluation carried out by the management, the management of the group believes that its Property, Plant & Equipment are of such nature that separate components are not distinctly identifiable having different useful life. And therefore, Component level accounting and reporting is not practically feasible for the group.

Depreciation of these PPE commences when the assets are ready for their intended use.

Depreciation is provided on the cost of Property, Plant and Equipment (other than Freehold land) less their estimated residual value, using the straight-line method over the useful life of PPE as stated in the Schedule II to the Companies Act, 2013 or based on internal technical evaluation. The management believes that the useful lives as assessed best represent the period over which management expects to use these assets.

Useful lives of following class of PPE are as prescribed under Part C of Schedule II to the Companies Act, 2013, which are as under:-

Asset Description	Assets Useful life (in Years)
Buildings	30 - 60
R & D Equipments	10
Office Equipments	5
Computers	3
Server	6
Road	5
Furniture and Fixtures	10
Vehicle	8

Useful lives of following class of PPE are based on internal technical evaluation carried out by the Group which are as under:-

Asset Description	Assets Useful life (in Years)
Plant & Machinery	20
Plant & Machinery (Tank)	25
Wind Electric Generators	22

The estimated useful lives, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions.

The low value assets costing ₹ 25,000/- or less are fully depreciated (net of residual value) in the year of purchase.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

Freehold land is not depreciated.

(ii) Intangible Assets

The Holding Company has elected to continue with the carrying value of its Intangible assets recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

Intangible assets with finite useful life acquired separately, are recognised only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized over the estimated period of benefit, not exceeding ten years.

Intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised .

Intangible assets are amortised on Straight Line Method from the date they are available for use, over the useful lives of the assets as estimated by the Management as under:

Asset Description	Assets Useful life (in Years)
Software & Licenses	3

(iii) Impairment of non-financial assets

The Group reviews at each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Consolidated Statement of Profit & Loss. If at the reporting period, there is an indication that there is change in the previously assessed impairment loss, the recoverable amount is reassessed and the asset is reflected at the lower of its recoverable amount and the carrying amount that is determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.”

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognised earlier may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates which has the effect of increasing the asset’s recoverable amount since the previous impairment loss was recognised. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that has been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset’s revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognised in the Consolidated Statement of Profit and Loss.

(iv) Share-based payments

The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, on a straight -line basis, over the vesting period, based on the Holding Company’s estimate of equity instruments that will eventually vest. At the end of each reporting period, the Holding Company revises its estimate of the number of equity instruments expected to vest . The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserves.

(v) Inventories

Inventories are valued at lower of cost and net realisable value after providing for impairment and other losses, where considered necessary. The basis of determining the value of each class of inventory is as follows:

Inventories	Cost Formulae
Raw Material, packing materials, fuels and stores and spares	At first-in-first out basis (Net of eligible credit)
Raw Material (Goods in transit)	At invoice price
Work-in-progress	At Cost, comprising of raw material cost, labour cost and appropriate proportion of manufacturing expenses and overheads based on stage of completion.
Finished Goods (Including in Transit)	At Cost, comprising of raw material cost, labour cost and appropriate proportion of manufacturing expenses and overheads.
Scrap	At lower of Cost or Net Realisable Value

(vi) Revenue and Income recognition:

(a) Revenue from Contracts with Customers

Revenues from sale of goods or services are recognised upon transfer of control of the goods or services to the customer in an amount that reflects the consideration which the group expects to receive in exchange for those goods or services.

Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration and customer's right to return the goods and the same represents amounts receivable for goods and services provided in the normal course of business. Revenue also excludes taxes collected from customers. Any retrospective revision in prices is accounted for in the year of such revision.

Revenue is recognised at a point in time on accrual basis as per the terms of the contract, when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

When sales discount and rebate arrangements result in variable consideration, appropriate estimates are made and estimated variable consideration is recognised as a deduction from revenue at the point of sale (to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not be required). The Group typically uses the expected value method for estimating variable consideration, reflecting that such contracts have similar characteristics and a range of possible outcomes.

The contract asset or a contract liability is recognised when either party to a contract has performed, depending on the relationship between the entity's performance and the customer's payment. When the group has a present unconditional rights to consideration, it is recognised separately as a receivable.

(b) Interest Income

Interest on investments is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

(c) Dividend Income

Dividend income is recognised when the right to receive the same is established.

(d) Export Incentives

Export incentives (Duty Drawback Scheme benefits) are accrued in the year when the right to receive the same is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate realization/ utilization of such benefits/ duty credit.

(e) other Income

Other income is recognised on accrual basis except when realization of such income is uncertain.

(vii) Foreign Exchange Transactions

Transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the spot exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated using closing exchange rate prevailing on the last day of the reporting period.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

Exchange differences on monetary items are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise.

(viii) Leases

Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 introduces a single, on-Consolidated balance sheet lease accounting model for lessees.

As a lessee

The Group’s lease assets primarily consist of lease for land. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset;
- the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a 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 and corresponding Right-of-use Asset. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

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 and adjusted for any remeasurement of the lease liability.

Right-of-use Assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

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 these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

(ix) Employees Benefits

Post Employment Benefit

(i) Defined Contribution Plan

The group’s contribution to defined contribution plan paid/payable for the year is charged to the Consolidated Statement of Profit and loss.

(ii) Defined Benefit Plan

The liabilities towards defined benefit schemes are determined using the Projected Unit Credit method. Actuarial valuation under the Projected Unit Credit method are carried out at the balance sheet date. Remeasurement gains/losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income (OCI). These gains/losses which are recognised in OCI are reflected in retained earnings and are not reclassified to Profit or Loss. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise it is amortized on straight-line basis over the remaining average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by plan assets. The plan assets are measured at fair value.

(iii) Short Term Employee Benefits

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the period employee renders services. These benefits include salaries, wages, bonus, performance incentives, etc.

(iv) Other Long Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at present value of the defined benefit obligation at the balance sheet date, using Projected Unit Credit method.

(x) Borrowing Costs

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings.

General and specific borrowing costs attributable to acquisition and construction of qualifying assets is added to the cost of the assets upto the date the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use Capitalisation of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the period in which they are incurred.

(xi) Statement of Cash Flows

Consolidated Statement of Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

(xii) Income Taxes

Income tax expense represents the sum of the current tax and deferred tax.

(i) Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and Deferred Tax Expense for the Year

Current and deferred tax expense is recognised in the Consolidated Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(xiii) Financial Instruments

Financial assets and Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Initial Recognition:

Financial assets and Financial 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 or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in the Consolidated Statement of Profit and Loss. However, trade receivables which is a financial asset that do not contain a significant financing component are measured at transaction price.

Classification and Subsequent Measurement: Financial Assets

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial 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.

Fair Value through OCI:

A financial asset shall be classified and measured at FVTOCI, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling 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.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of financial assets:

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following Financial Assets and credit risk exposure:

- a) Financial Assets and are measured at amortised cost e.g., deposits, trade receivables and bank balance

Simplified Approach

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

General Approach

For recognition of impairment loss on other Financial Assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the group reverts to recognising impairment loss allowance based on 12-months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed. On that basis, the Group estimates provision on trade receivables at the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense (or income) in the Consolidated Statement of Profit and Loss.

Derecognition of financial assets:

The Group derecognises a financial asset when the contractual right to receive the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. 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 asset 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 and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Classification and Subsequent Measurement:

Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Consolidated Statement of Profit and Loss.

Other Financial Liabilities at amortised cost:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities and equity instruments:

- Classification as debt or equity:

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements 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 an entity after deducting all of its liabilities.

Equity instruments issued by a Group are recognised at the proceeds received.

Derecognition of financial liabilities:

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

Offsetting:

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(xiv) Derivative Financial Instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts to manage its exposure to foreign currency exchange rate risks.

Derivatives are initially recognised at fair value at the date the contracts are entered into. Subsequent to initial recognition, these contracts are measured at fair value at the end of each reporting period and changes are recognised in the Consolidated Statement of Profit and Loss.

(xv) Segment Reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Making Body (CODM) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group.

(xvi) Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax with the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, with the aggregate of weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(xvii) Dividend

Provision is made in the accounts for the amount of any final dividend declared on the date of its approval by the shareholders. Interim dividends, if any, are recorded as a liability on the date of its declaration by the respective companies' board of directors.

(xviii) Research and Development

Revenue expenditure on research and development is charged to the Consolidated Statement of Profit and Loss in the year in which it is incurred. Capital expenditure on research and development is considered as an addition to Property, Plant & Equipment/Intangible Assets.

(xix) Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised when, based on Group's present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent Liabilities and Assets

Contingent liabilities are disclosed in the Consolidated Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are disclosed in the Consolidated Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

3. Critical Accounting Judgments, Estimates, Assumptions and Key Sources of Estimation Uncertainty

The preparation of the Group's consolidated 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 at the date of the consolidated financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. 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.

Key estimates, assumptions and judgements

In particular, the Group has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the consolidated financial statements. Changes in estimates are accounted for prospectively.

(i) Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits.

(ii) Useful lives of Property, Plant and Equipment/Intangible Assets

Property, Plant and Equipment/ Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Group's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

(iii) Contingent Liabilities

In the normal course of business, Contingent Liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the Notes but are not recognised. Potential liabilities that are remote are neither recognised nor disclosed as contingent liability. The management decides whether the matters need to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

(iv) Evaluation of Indicators for Impairment of Property, Plant and Equipment

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the idle assets etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment and such assessment is based on estimates, future plans as envisaged by Group.

(v) Actuarial Valuation:

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the income statement and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(vi) Allowance for impairment of trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectable on the assessment of the underlying facts and circumstances.

(vii) Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(viii) Revenue Recognition:

The Group's contracts with customers include promises to transfer products to the customers. The Group assesses the products promised in a contract and identifies distinct performance obligations, if any, in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables. Judgement is also required to determine the transaction price for the contract. The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over time. The Group considers indicators such as to who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. The judgment is also exercised in determining the variable consideration, if any, involved in transaction price and also in estimating the impact of customer's right to return the goods, based on prior experience. The group has exercised judgments and concluded that it has only one performance obligation from each of its contract with customers and it is being satisfied at a point in time.

Notes to the Consolidated Financial Statements for the Year ended 31st March, 2024
4A. Property, Plant and Equipment (Including Right-of-use Assets)

Particulars	Freehold Land	Right-of-use Assets (Leasehold Land)	Buildings	Plant and Machinery	R & D Equipment	Wind Electric Generators	Furniture and Fixtures	Office Equipments	Vehicles	Server	Computers	Road	QA Lab Equipment	Low Value Assets	Total
Gross Block															
As at 1 st April, 2022	1.54	1,373.46	1,035.52	2,086.24	167.89	140.91	97.93	23.50	90.85	10.36	48.72	21.63	3.52	5.36	5,107.42
Additions	-	63.22	31.42	159.32	36.90	-	110.04	6.15	14.55	2.15	6.96	6.35	0.00	2.37	439.45
Deductions/Adjustments	-	-	-	18.85	-	-	-	-	-	-	-	-	-	-	18.85
As at 31 st March, 2023	1.54	1,436.68	1,066.94	2,226.71	204.79	140.91	207.97	29.65	105.40	12.51	55.69	27.98	3.52	7.73	5,528.03
Additions	-	9.57	112.92	2278.72	65.45	-	342.04	33.32	25.95	7.45	29.95	-	-	-	2,906.94
Deductions/Adjustments	-	-	-	-	-	-	-	-	21.86	-	-	-	-	-	21.86
Assets Written off during the year	-	-	-	9.86	5.03	-	5.86	2.52	-	-	5.43	-	-	-	28.70
As at 31 st March, 2024	1.54	1,446.25	1,179.87	4,495.56	265.21	140.91	544.14	60.45	109.49	19.96	80.21	27.98	3.52	9.31	8384.41
Accumulated Depreciation															
As at 31 st March, 2022	-	26.01	60.86	544.18	54.08	68.44	24.44	6.92	42.18	7.72	31.33	11.60	0.76	5.10	883.62
Charge for the year	-	16.00	26.97	72.18	15.44	11.41	11.75	2.05	6.53	1.03	6.47	4.81	0.33	2.25	177.22
Deductions/Adjustments	-	-	-	9.06	-	-	-	-	-	-	-	-	-	-	9.06
As at 31 st March, 2023	-	42.01	87.83	607.30	69.52	79.85	36.19	8.97	48.71	8.75	37.81	16.42	1.09	7.35	1,051.79
Charge for the year	-	17.33	25.51	141.32	19.36	11.44	31.50	8.75	8.99	2.04	9.43	5.27	0.34	1.34	282.63
Deductions/Adjustments	-	-	-	-	-	-	-	-	19.25	-	-	-	-	-	19.25
Assets Written off during the year	-	-	-	-	2.80	4.44	-	4.53	0.78	-	-	0.88	-	-	13.43
As at 31 st March, 2024	-	59.33	113.34	745.82	84.44	91.29	63.16	16.94	38.46	10.79	46.36	21.69	1.43	8.69	1,301.74
Accumulated Impairment															
As at 31 st March, 2022	-	-	-	470.78	-	-	-	-	-	-	-	-	-	-	470.78
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deductions/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 st March, 2023	-	-	-	470.78	-	-	-	-	-	-	-	-	-	-	470.78
Charge for the year	-	-	-	82.37	-	-	-	-	-	-	-	-	-	-	82.37
Deductions/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 st March, 2024	-	-	-	553.14	-	-	-	-	-	-	-	-	-	-	553.15
Net Block															
Balance as at 31 st March, 2023	1.54	1394.67	979.11	1148.63	135.27	61.06	171.78	20.68	56.69	3.76	17.88	11.57	2.43	0.38	4005.46
Balance as at 31 st March, 2024	1.54	1386.91	1066.53	3196.60	180.77	49.62	480.98	43.51	71.04	9.18	33.85	6.29	2.09	0.61	6529.52

Notes :

- During the financial year 2022-23, the Holding Company has transferred Industrial Plot (Leasehold Land and Building) situated at Dahej, Ankleshwar aggregating to ₹ 1325.23 Lakhs to Wholly Owned Subsidiary Company. The Holding Company has received 1% Optionally Convertible Non Cumulative Redeemable Preference Shares ("OCRPS") in two series viz. Series A (15 Years) : 66,26,160 Preference shares and Series B (20 Years) : 66,26,160 Preference shares, of ₹ 10 each at par, towards Sales consideration.
- The Holding Company has elected to continue with the carrying value of its Property Plant & Equipment (PPE) recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as on the transition date as on the transition date as per Para D7AA of Ind AS 101.

Notes to the Consolidated Financial Statements for the Year ended 31st March, 2024

(₹ in Lakhs)

Particulars	Software & Licenses	Total
4B. Intangible assets		
Gross Block		
As at 1 st April, 2022	5.12	5.12
Additions	-	-
Deductions/Adjustments	-	-
As at 31 st March, 2023	5.12	5.12
Additions	10.14	10.14
Deductions/Adjustments	-	-
As at 31st March, 2024	15.26	15.26
Accumulated Amortisation		
As at 1 st April, 2022	3.11	3.11
Charge for the year	1.04	1.04
Deductions/Adjustments	-	-
As at 31 st March, 2023	4.15	4.15
Charge for the year	2.49	2.49
Deductions/Adjustments	-	-
As at 31st March, 2024	6.63	6.63
Net Block		
Balance as at 31 st March, 2023	0.97	0.97
Balance as at 31st March, 2024	8.63	8.63

Note :

- The Holding Company has elected to continue with the carrying value of its Intangible assets recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
4C. Capital work-in-progress		
(Including unallocated capital expenditure, materials at site)		
Balance as at beginning of the year	2,139.30	187.96
Add: Additions during the year	836.41	2,325.99
Less: Transfer to Property, Plant and Equipment	2,892.76	374.65
Total	<u>82.95</u>	<u>2,139.30</u>

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
4C(i) Ageing Schedule of Capital work-in-progress (Projects in process):					
As at 31st March, 2024					
i) Projects in Progress	42.35	19.50	21.15	-	82.55
ii) Projects temporarily suspended	-	-	-	-	-
As at 31st March, 2023					
i) Projects in Progress	842.72	1,296.58	-	-	2,139.30
ii) Projects temporarily suspended	-	-	-	-	-

(₹ in Lakhs)

Particulars	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
4C(ii) Completion Schedule of CWIP whose completion is overdue or has exceeded it's compared cost to it's original plan:					
As at 31st March, 2024					
i) Projects in progress	82.95	-	-	-	82.95
ii) Projects temporarily suspended	-	-	-	-	-
As at 31st March, 2023					
i) Projects in progress	2,131.08	-	-	-	2,131.08
ii) Projects temporarily suspended	-	-	-	-	-

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 st March, 2023
5A. Investments		
Investments in Quoted Securities at (at FVTOCI)		
2,37,950 (P.Y. 2,37,950) Equity Shares of Sintex Plastics Technology Limited (Fully paid up) (Face Value ₹ 1 per share)	2.26	4.64
200 (P.Y.200) Equity Shares of Alkyl Amines Chemicals Limited (Fully paid up) (Face Value ₹ 2 per share)	3.63	4.31
15,147 (P.Y. 15,147) Equity Shares of Deepak Nitrite Limited (Fully paid up) (Face Value ₹ 2 per share)	321.95	279.10
6,500 (P.Y. 6,500) Equity Shares of P.I. Industries Limited (Fully paid up) (Face Value ₹ 1 per share)	251.39	196.96
2,500 (P.Y. 2,500) Equity Shares of Reliance Industries Limited (Fully paid up) (Face Value ₹ 10 per share)	74.29	58.28
25,000 (P.Y. 25,000) Equity Shares of UPL Limited (Fully paid up) (Face Value ₹ 2 per share)	114.00	179.41
6,500 (P.Y. 6,500) Equity Shares of GHCL Limited (Fully paid up) (Face Value ₹ 10 per share)	28.81	32.73
51,220 (P.Y.51,220) Equity Shares of Meghmani Organics Limited (Fully paid up) (Face Value ₹ 1 per share)	40.62	39.80
6,215 (P.Y 6,215) Equity Shares of Meghmani Finechem Limited (Fully paid up) (Face Value ₹ 10 per share)	68.24	58.65
16,000 (P.Y 16,000) Equity Shares of Gujarat State Fertilizers & Chemicals Limited (Fully paid up) (Face Value ₹ 2 per share)	31.30	19.04
23,000 (P.Y 23,000) Equity Shares of Gujarat Narmada Valley Fert. & Chem Limited (Fully paid up) (Face Value ₹ 10 per share)	143.77	117.15
5,000 (P.Y 5,000) Equity Shares of Infosys Limited (Fully paid up) (Face Value ₹ 5 per share)	74.90	71.40
1,350 (P.Y 1,350) Equity Shares of Jubilant Ingrevia Limited (Fully paid up) (Face Value ₹ 10 per share)	6.11	4.86
3,000 (P.Y 3,000) Equity Shares of Syngene International Limited (Fully paid up) (Face Value ₹ 10 per share)	21.08	17.84
2,000 (P.Y.2,000) Equity Shares of Aarti Drugs Limited (Fully paid up) (Face Value ₹ 10 per share)	8.69	6.76
500 (P.Y.500) Equity Shares of Atul Limited (Fully paid up) (Face Value ₹ 10 per share)	28.70	34.80
3,500 (P.Y.3,500) Equity Shares of Gujarat Fluorochemicals Limited (Fully paid up) (Face Value ₹ 1 per share)	108.41	105.71
1,500 (P.Y.1,500) Equity Shares of LTI Mindtree Limited (Fully paid up) (Face Value ₹ 1 per share)	74.08	71.39
10,000 (P.Y.10,000) Equity Shares of Vedanta Limited (Fully paid up) (Face Value ₹ 1 per share)	27.17	27.45
6,500 (P.Y. NIL) Equity Shares of GHCL Textiles Limited (Fully paid up) (Face Value ₹ 10 per share)	4.93	-
2,500 (P.Y. NIL) Equity Shares of Jio Financial Services Limited (Fully paid up) (Face Value ₹ 10 per share)	8.84	-
Total (A)	1,443.16	1,330.28
5B. Investments In Associates		
Investments in Associates (Unquoted at FVTOCI)		
17,50,000 (P.Y.3,500) equity shares of KLJ Organic Diamines Limited (Fully paid up) (Face Value ₹ 10 per share)	175.00	0.35
Less:- Share of Profit/ (Loss) of Associate	(41.69)	(0.35)
Total (B)	133.31	-
Total (A+B)	1,576.47	1,330.28
Aggregate cost of quoted investments	864.08	864.08
Aggregate market value of quoted investments	1,443.16	1,330.28
Aggregate carrying value of unquoted investments	133.31	-

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
6. Financial Assets - Others		
Security Deposits		
- Considered Good	14.25	13.90
Unsecured Loans to Related Party		
- To Associate Company	256.68	372.56
- Interest Receivable on Advances with Associates	23.19	-
Total	<u>294.12</u>	<u>386.46</u>

The above loan have been given for business purposes.

Loan to specified person :

(a) without specifying any terms or period of repayment (₹ in Lakhs)

Type of Borrower	As at 31 st March, 2024		As at 31 st March, 2023	
	Amount of Loan or Advance in Nature of loan Outstanding	Percentage to the total Loans and Advances in the Nature of Loans	Amount of Loan or Advance in Nature of loan Outstanding	Percentage to the total Loans and Advances in the Nature of Loans
Related Party - Associate Company	256.68	100%	372.56	100%

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
7. Other Non-current Assets (Unsecured, Considered Good unless Otherwise Stated)		
Capital advances	1.90	70.93
Prepaid Expenses	8.55	1.68
Balances with Government Authorities		
- CST	0.50	0.50
- GST	0.35	-
- Income Tax (Refund Receivable)	65.56	161.80
- Income Tax paid under protest	192.11	83.92
Fixed deposit against BG*	-	50.00
	<u>268.97</u>	<u>368.84</u>
Less:- Provision for CST	<u>(0.50)</u>	<u>(0.50)</u>
Total	<u>268.47</u>	<u>368.33</u>

* Fixed deposit against BG are lien marked

8. Inventories		
Raw Materials	798.87	750.37
Raw Materials - Goods in transit	-	197.91
Work in Progress	233.89	361.05
Finished goods	638.48	329.58
Finished goods in Transit	0.97	-
Packing materials	10.87	4.83
Fuel	18.74	14.56
Stores and Spares	33.96	25.17
Total	<u>1,735.78</u>	<u>1,683.47</u>

(i) Valuation of inventories are done as per point no. (vi) of significant accounting policies (Note-2).
(ii) Amount of inventories written down to NRV and recognised as an expense ₹ 98.45 Lakhs"

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
9. Trade Receivables		
Unsecured, Considered good	1,669.59	2,289.13
Less: Allowance for expected credit losses	-	-
Total	1,669.59	2,289.13

9(i) Ageing Schedule for Trade receivables

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment							Total
	Not Due	Less than 6 months	6 months- 1 year	Less than 1 year	1-2 years	2-3 years	More than 3 years	
F.Y 2023-24								
i) Undisputed Trade Receivables - considered good	1,011.54	658.05	-	-	-	-	-	1,669.59
ii) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
F.Y 2022-23								
i) Undisputed Trade Receivables - considered good	1,982.67	306.46	-	-	-	-	-	2,289.13
ii) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
10. Cash and Cash Equivalents		
Balances with Banks		
In current account	51.18	163.96
In cash credit account*	201.73	96.88
Cash on hand	1.56	0.21
Total	<u>254.47</u>	<u>261.05</u>
<p>*The Company has availed fund based working capital facilities viz., borrowings from State bank of India against security of current asset and overdraft facility from ICICI bank against fixed deposit. The company has also availed non-fund based working facilities from Bankers viz., Bank Guarantees and Letter of Credits, which are secured by hypothecation charge on Inventories, book debts and all other current assets of the company, as primary security and registered mortgage charge over land & building and hypothecation charge on plant & machinery as collateral security. The Quarterly Returns or the Current Assets Statements filed by the company with the Bank/Financial Institution are in the agreement with the books of account.</p>		
11. Other Bank Balances		
Other bank deposits with original maturity of more than 3 months up to 12 months *	3,375.00	2,316.31
Accrued Interest on FD	106.35	70.32
Earmarked bank balances**	54.31	51.25
Total	<u>3,535.66</u>	<u>2,437.88</u>
<p>* This includes Fixed deposit of Rs. 5 Crores given as a security against Overdraft facility. ** These balances represents unclaimed dividend account which is earmarked for payment of dividend and cannot be used for any other purpose.</p>		
12. Current Tax Assets (Net)		
Advance Tax (Net of provisions)	152.67	80.43
Total	<u>152.67</u>	<u>80.43</u>
13. Other Current Assets		
Unsecured, considered good		
Balances with Government Authorities	0.28	0.58
GST Receivable	40.55	6.66
Prepaid Expenses	47.50	95.37
Advances to vendors	54.46	18.96
Employee Advance	1.14	-
Prepaid Current Employee Benefits (Gratuity) (Refer Note no.37)	15.31	3.33
Total	<u>159.24</u>	<u>124.89</u>

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
14. Equity Share Capital		
Authorised		
17,550,000 (P.Y. 17,550,000) Equity shares of ₹ 10/- each	1,755.00	1,755.00
Total	<u>1,755.00</u>	<u>1,755.00</u>
Issued, Subscribed and Fully Paid Up		
9,783,990 (P.Y. 9,783,240) Equity Shares ₹ 10/- each	978.40	978.32
Total	<u>978.40</u>	<u>978.32</u>

Reconciliation of number of equity shares outstanding at the beginning and at the end of reporting period is as under:

(₹ in Lakhs)

Particulars	No. of Shares	Share Capital
As at 1 st April, 2022	97,83,240	978.32
Additions/(Reductions)	-	-
As at 31 st March, 2023	97,83,240	978.32
As at 1st April, 2023	97,83,240	978.32
Add: Shares issued on account exercise of employee stock options	750	0.08
As at 31st March, 2024	97,83,990	978.40

Details of Shareholders holding more than 5% shares in the Company:

Name of the Shareholder	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of shares	% of Holding	No. of shares	% of Holding
Amit M. Mehta	1257080	12.85%	1248129	12.76%
Cherry A Mehta	1064836	10.88%	1060292	10.84%
Perfo Chem (India) Pvt. Ltd.	967609	9.89%	967609	9.89%
Harsh Amit Mehta	501368	5.12%	498032	5.09%
Finorga (India) Pvt. Ltd.	499497	5.11%	498497	5.10%
Mohak Amit Mehta	493908	5.05%	489777	5.01%

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

Promoters' Shareholding at the end of the year

Shareholder's Name	Shareholding at the end of the year (As at 31 st March, 2024)		Shareholding at the end of the year (As at 31 st March, 2023)		% change in shareholding during the year
	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1. Amit Mahendra Mehta	12,57,080	12.85%	12,48,129	12.76%	0.09%
2. Cherry Amit Mehta	10,64,836	10.88%	10,60,292	10.84%	0.05%
3. Perfo Chem (India) Pvt. Ltd.	9,67,609	9.89%	9,67,609	9.89%	0.00%
4. Harsh Amit Mehta	5,01,368	5.12%	4,98,032	5.09%	0.03%
5. Finorga (India) Pvt. Ltd.	4,99,497	5.11%	4,98,497	5.10%	0.01%
6. Mohak Amit Mehta	4,93,908	5.05%	4,89,777	5.01%	0.04%
7. S. Amit Speciality Chemicals Pvt. Ltd.	4,88,500	4.99%	4,87,500	4.98%	0.01%
8. Pinakin Kantilal Patel	95,212	0.97%	95,212	0.97%	0.00%

Right, Preferences and restrictions attached to Shares

- (i) The Company has only one class of shares i.e. equity shares having par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share.
- (ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (iii) The Board of Directors of the holding company in their meeting held on 24th May, 2024 have recommended a final dividend of **₹ 2.50 per Equity Share** (previous year ₹ 3 per equity share) to be approved by the shareholders in the ensuing general meeting. On approval, this will result in an outflow of **₹ 244.60 Lakhs** (Previous year ₹ 293.50 Lakhs)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
15. Other Equity		
General Reserve	517.12	517.12
Retained Earnings	12,810.80	11,549.31
Securities Premium	1.99	-
Equity instruments carried through Other Comprehensive Income (OCI)	500.35	400.38
Equity Stock Option Reserve	2.76	7.42
Total	13,833.01	12,474.22
Particulars relating to Other Equity		
General Reserve		
Balance at the beginning of the year	517.12	517.12
Additions/Deductions during the year	-	-
Balance at the end of the year	517.12	517.12
Retained Earnings		
Balance at the beginning of the year	11,549.31	7,942.45
Add: Net Profit for the year	1,547.05	4,190.36
Add: Transfer from Equity Stock Option Reserve on lapsed options	9.18	-
Add: Other Adjustment	0.32	-
Add: Other comprehensive income arising from re-measurement of defined benefit obligation, net of income tax	(1.56)	3.49
Less: Payments of dividends (Final)	(293.50)	(586.99)
Balance at the end of the year	12,810.80	11,549.31
Securities Premium		
Balance at the beginning of the year	-	-
Additions: On Account of ESOP Exercise during the year	1.99	-
Balance at the end of the year	1.99	-
Equity instruments carried through other comprehensive income (OCI)		
Balance at the beginning of the year	400.38	581.48
Add: Gain/(Loss) on sale of Investment	-	4.98
Add: Fair value gain/(loss) on investments in equity instruments	99.97	(186.08)
Balance at the end of the year	500.35	400.38
Equity Stock Option Reserve		
Balance at the beginning of the year	7.42	-
Esop Expense Provision during the year	6.51	7.42
Esop Expense Provision of current year reversed due to ESOP Lapsed	(9.18)	-
Share Premium on ESOP Exercise during the year	(1.99)	-
Additions/Deductions during the year	-	-
Balance at the end of the year	2.76	7.42
Total	13,833.01	12,474.22

Description of the nature and purpose of Other Equity

General Reserve : The General Reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed/utilised by the Company in accordance with the provisions of Companies Act, 2013.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

Retained Earnings : Retained Earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves etc.& amount distributed as dividends and related dividend distribution taxes.

Security Premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. Security premium includes equity-settled share-based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

Reserve for equity instruments through Other Comprehensive Income : This represents cumulative gains / (losses) arising on the measurement of equity instruments at Fair Value through Other Comprehensive Income.

Equity Stock Option Reserve: Equity stock option reserve is used to recognise the fair value of equity settled share based payment transactions.

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
16. Provisions		
Provision for employee benefits		
Compensated absences	25.48	25.34
Other Payables	-	22.37
Total	<u>25.48</u>	<u>47.71</u>
17. Deferred Tax Liabilities (Net)		
Deferred tax Liabilities	426.12	372.34
Less: Deferred tax Assets	(24.77)	(29.40)
Total	<u>401.35</u>	<u>342.94</u>

Particulars	(₹ in Lakhs)			
	Opening Balance	Recogn- ised in Profit or Loss	Recognised in other Compreh- ensive Income	Closing Balance
2023-24				
Major Components and Reconciliation of Deferred Tax (Assets)/Liabilities				
Property, Plant and Equipment & Intangible Assets	320.39	40.86	-	361.25
Equity Instruments through FVTOCI	53.71	-	12.91	66.62
Remesurement of defined benefits through FVTOCI	-	-	(0.52)	(0.52)
Provision for Provident Fund liability	(2.52)	-	-	(2.52)
Expenses claimed for tax purpose on payment basis	(28.25)	4.77	-	(23.48)
Provision for slow moving and obsolete items	(0.39)	0.39	-	-
Total	<u>342.94</u>	<u>46.02</u>	<u>12.39</u>	<u>401.35</u>

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

Particulars	(₹ in Lakhs)			
	Opening Balance	Recognised in Profit or Loss	Recognised in other Comprehensive Income	Closing Balance
2022-23				
Property, Plant and Equipment & Intangible Assets	304.94	15.45	-	320.39
Equity Instruments through FVTOCI	77.11	-	(23.40)	53.71
Remesurement of defined benefits through FVTOCI	-	-	-	-
Provision for Provident Fund liability	(2.52)	-	-	(2.52)
Expenses claimed for tax purpose on payment basis	(24.61)	(3.64)	-	(28.25)
Provision for slow moving and obsolete items	(0.56)	0.17	-	(0.39)
Total	354.35	11.98	(23.40)	342.94

18. Trade Payables

Micro, Small and Medium enterprises have been identified by the Company on the basis of the information available. The relevant disclosures are given below :

* Payment made to suppliers beyond the due date during the year was ₹ Nil (P.Y. ₹ Nil). No interest during the year has been paid to Micro and Small Enterprises as there were no delayed payments. Further, interest accrued and remaining unpaid at the year end is ₹ Nil (P.Y. ₹ Nil).

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
Micro and Small Enterprises*	26.16	30.54
Others	493.27	725.53
Total	519.43	756.07

Disclosures required under section 22 of the Micro and Small Enterprises Development Act 2006 (“MSMED Act”)

(i) Principal amount remaining unpaid to any supplier as at the period end	26.16	30.54
(ii) Interest due thereon	-	-
(iii) Amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period for the purpose of disallowance as a deductible expenditure.	-	-
(iv) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act 2006	-	-
(v) Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

18(i) Ageing Schedule for MSME and other Trade payables (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
F.Y 2023-24						
A. Cases where due date of payment is specified						
(i) MSME	26.04	0.12	-	-	-	26.16
(ii) Others	472.50	20.45	-	-	-	492.96
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	0.31	-	0.31
B. Cases where no due date of payment is specified						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
F.Y 2022-23						
A. Cases where due date of payment is specified						
(i) MSME	29.67	0.87	-	-	-	30.54
(ii) Others	705.77	19.46	-	-	-	725.22
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	0.31	-	-	0.31
B. Cases where no due date of payment is specified						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
19. Other Financial Liabilities		
Unclaimed dividends	54.31	51.25
Payable for Capital Goods	20.89	31.05
Employee Bonus / Exgratia Payable	49.39	32.32
Salary Payable	47.78	61.31
Outstanding Liabilities Expenses	100.24	88.82
Commission Payable to Directors	58.05	93.67
Other Payables	7.08	9.23
Total	337.76	367.65
20. Other Current Liabilities		
Liability for Statutory Payments	136.19	94.10
Contract Liability - Advance from Customers	14.43	10.80
Employee Payable	0.07	-
Total	150.69	104.90
21. Provisions		
Provision for employee benefits		
Compensated absences	11.44	24.26
Others		
Others	10.00	11.58
Total	21.44	35.84

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
(₹ in Lakhs)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
22. Revenue From Operations		
(a) Sale of products		
Manufactured Goods	8,910.70	11,037.27
Trading Goods	1,372.03	-
(b) Other Operating Revenue		
Sale of Scrap	11.85	17.99
Duty Drawback Scheme benefits	4.65	0.60
Cash Discount Income - Trading Division	7.22	-
Delay Payment Charges-Trading Division	96.39	-
Total	10,402.84	11,055.86
23. Other Income		
Income from Trading of Goods (Net)*	-	23.57
Interest on Fixed and Other Deposits	215.66	205.56
Dividend Income	23.12	15.99
Exchange gains/(losses) on foreign currency	6.91	28.73
Balances / Provisions written back (Net)	-	0.01
Miscellaneous income	-	0.12
Gain/(Loss) on Sale of Asset	8.59	-
Reversal of Provision for Non Moving Stock	1.58	0.67
Total	255.86	274.65
* Refer note 32(b)		
24. Cost of Materials consumed		
Raw Materials Consumed :		
Opening Stock	948.29	24.59
Add: Purchases	3,399.31	4,099.09
Less: Closing Stock	798.87	948.29
	3,548.73	3,175.39
Packing Materials :		
Opening Stock	4.83	6.08
Add: Purchases	164.33	148.36
Less: Closing Stock	10.87	4.83
	158.29	149.61
Total	3,707.02	3,325.00
25. Purchase of stock in trade		
Purchase of Trading Goods	1,358.41	-
Less: Trade Discount-Trading Div.	45.39	-
Total	1,313.02	-

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
26. Changes in Inventories of Finished Goods and Work-In-Progress		
Closing Stock		
Finished Goods	639.45	329.58
Work in Progress	233.89	361.05
	873.34	690.63
Less: Opening Stock		
Finished Goods	329.58	110.51
Work in Progress	361.05	34.81
	690.63	145.32
(Increase)/Decrease	(182.71)	(545.31)
27. Employee Benefits Expense		
Salaries and Wages*	1,028.26	832.10
Contribution to Provident and Other Funds	80.14	65.07
Staff Welfare Expenses	113.74	77.19
Total	1,222.14	974.36
* Including Commission to Executive Chairman & Director		
28. Finance Costs		
<u>Interest on</u>		
Cash Credit Facilities	2.59	1.55
Other	6.22	0.53
<u>Other Costs</u>		
Bank Charges	5.88	9.51
Processing Charges	4.82	2.88
Total	19.51	14.47
29. Depreciation and Amortisation Expenses		
Depreciation on PPE (Including Right-of-use Assets)	282.63	176.75
Amortisation of Intangible Assets	2.49	1.52
Total	285.12	178.27

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
29. Other Expenses		
Consumption of stores and spare parts	118.95	75.04
Power and Fuel	700.39	691.74
Factory Expenses	50.16	39.37
Material Handling	112.97	70.85
Repair and Maintenance		
- Buildings	22.38	24.06
- Machinery	99.76	100.64
- Others	12.45	6.39
Rent	41.59	20.21
Insurance	94.29	66.61
Rates and Taxes	9.87	6.82
Legal fees	63.00	2.50
Professional Fees		
- R&D Consultancy fees	48.00	36.00
- Others	122.53	83.84
Payment to Auditors (Refer note (i) below)	12.52	11.67
Director's Sitting fees	10.41	13.12
Commission to Non Executive Directors	7.49	16.29
Printing and Stationery	6.56	6.61
Security Charges	53.21	35.55
House Keeping Expenses	28.27	16.00
Travelling and Motor Car Expenses	106.04	70.85
Research and Development Expenses	4.92	3.98
Corporate Social Responsibility Expenses (Refer note (ii) below)	72.03	60.60
Selling Expenses	100.04	96.06
Recruitment Exp.	10.77	9.98
Job Work Charge	20.29	1.69
Assets Written Off	15.27	-
Impairment Loss on Property, Plant and Equipment	82.37	-
Loss on Sale of Asset	-	9.61
GST Expenses	5.57	22.29
Subscription/membership	9.08	106.75
Miscellaneous Expenses*	34.37	43.57
Total	2,075.53	1,748.68
* None of the item individually accounts for more than ₹ 10,00,000 or 1% of revenue whichever is higher.		
(i) Payment to Auditors :		
(a) Statutory Auditors		
- As Auditor	9.20	9.00
- For Taxation Service	2.70	2.05
- Certification	-	-
- Reimbursement of Expenses	0.12	0.12
(b) Cost Auditors		
- As Auditor	0.45	0.45
- As other services	0.05	0.05
Total	12.52	11.67

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(ii) Expenditure towards Corporate Social Responsibility (CSR) activities:

- (a) Gross amount required to be spent by the Company during the year: ₹ 72.02 Lakhs (Previous Year: ₹ 60.60 Lakhs)
(b) Details of corporate social responsibility expenditure

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
(a) Amount Required to be spent by the group during the year	72.02	60.60
(b) Amount spent during the year on:		
(i) Construction/acquisition of any Asset	-	-
(ii) On purposes other than (i) above	72.03	60.60
(c) Shortfall at the end of the year	-	-
(d) Details of related party transactions		
Nature of Activities	Promotion of Health Care, Environmental,	Promotion of Education, Health Care & Environmental

31. Disclosure of the aggregate amount of research and development expenditure recognised as an expense during the period - Research and Development (R&D) :

The Company has in-House R&D unit at its registered office and is registered with the Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology, New Delhi.

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Revenue Expenditure	201.53	166.19
Total	201.53	166.19

32(a) Disclosures as per Ind AS- 115 “Revenue from Contracts with Customers”:

1. The Company derives revenues from sale of goods and scrap from its contracts with customers. The revenues have been disclosed in Note No.22 “Revenue from Operations”.

The disaggregation of revenues is as under:

Nature	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Revenue from contracts with customers		
Revenues from sale of goods	8,910.70	11,037.27
Revenues from sale of trading goods	1,372.03	-
Other Operating Revenue		
- Revenues from sale of scrap	11.85	17.99
- Duty Drawback Scheme benefits	4.65	0.60
- Cash Discount Income - Trading Division	7.22	-
- Delay Payment Charges-Trading Div.	96.39	-
Total	10,402.84	11,055.86

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

The revenues are further disaggregated into revenues from domestic as well as export market as follows:

Nature	(₹ in Lakhs)			
	Domestic		Exports*	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Sale of goods	8,291.21	9,721.69	619.49	1,315.58
Sale of trading goods	1,372.03	-	-	-
Other Operating Revenue	120.11	18.59	-	-
Total	9,783.35	9,740.27	619.49	1,315.58

* Exports on FOB basis Includes Direct Export, Merchant Export, SEZ Sales, Deemed Exports against Advance Authorization License.

2. The movement in Company's receivables, contract assets and contract liabilities are as under:

Particulars	(₹ in Lakhs)		
	Receivables	Contract Assets	Contract Liabilities
Balance as at the beginning of the year	2,289.13	-	10.80
Balance as at the end of the year	1,669.59	-	14.43
Net Increase/ (Decrease)	(619.54)	-	3.63

The revenue of ₹ 10.80 lakhs (P.Y. ₹ 54.83 lakhs) has been recognised from the carried forward contract liabilities balance as at the beginning of the year.

3. The revenue from contracts with customers for the year includes variable consideration (volume & Rate discounts) of ₹ 139.51 lakhs (P.Y. ₹ 0.50 lakhs), which has been deducted from the transaction price. The company uses expected value method in measuring the variable consideration. There were no constraints in estimating variable consideration.
4. The Company has applied practical expedient referred to in paragraph 121 of Ind AS 115 and accordingly, has not disclosed information related to remaining performance obligations. No consideration is excluded from the remaining performance obligations from contracts with customers.

32(b) Income from Trading of Goods (Net)

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Trading Sales	-	585.26
Less:- Trading Purchase	-	577.41
Net Trading Sales (a)	-	7.86
Cash Discount /Finance Charge Income	-	10.84
Quantity Discount Income	-	5.05
Other Income from Trading Business (b)	-	15.90
Total (a+b)	-	23.75

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
33. Disclosure pursuant to Ind AS 12 on “Income Taxes”		
A. Components of Tax Expenses/(Income)		
a. Profit or Loss Section		
Current Tax	577.03	1425.57
Earlier Year	7.28	7.98
Deferred Tax	46.02	10.78
Income tax expense recognised in the statement of profit or loss	630.33	1444.33
Income tax relating to Other Comprehensive Income		
b. Other Comprehensive Income Section		
Remeasurement of Defined Benefits Plans	(0.52)	1.17
Equity instruments through other comprehensive income	12.92	(23.40)
Income Tax Expense recognised in Other Comprehensive Income	12.39	(22.22)
B. Reconciliation of Income Tax Expense/(Income) and Accounting Profit multiplied by domestic tax rate applicable in India		
Profit before Tax	2219.07	5635.04
Corporate Tax rate as per Income Tax Act, 1961	25.17%	25.17%
Tax on Accounting Profit	558.50	1418.23
Effect of income exempt from tax	(5.82)	(4.02)
Effect of expenses/provisions not deductible in determining taxable profit	228.18	68.08
Effect of expenses/provisions deductible in determining taxable profit	(157.81)	(45.94)
Tax adjustment of earlier years	7.28	7.98
Income tax expense recognised in the statement of profit or loss	630.33	1,444.33

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

34. In accordance with Ind AS - 33, "Earnings Per Share", the Basic and Diluted EPS have been calculated as under:

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Profits available to equity shareholders (₹ in Lakhs)	1,547.05	4,190.35
Weighted Average Number of Equity Shares used for calculating Basic EPS	97,83,350	97,83,240
Weighted Average Number of Equity Shares used as denominator for calculating Diluted EPS	97,85,538	97,92,300
Earnings Per Share of ₹ 10 each		
- Basic (in ₹)	16.24	42.84
- Diluted (in ₹)	16.23	42.80

35. Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
(A) Contingent liabilities not provided for in respect of:		
(a) Guarantees issued by the bankers on behalf of the Company	40.00	40.00
(b) Claims against the company not acknowledged as debt	-	6.40
(c) Pending Litigations:		
(i) Income Tax	48.43	52.89
(ii) Service Tax/Excise	66.34	66.34
(iii) Provident Fund	29.50	29.50
(iv) GST	7.44	-
Total	191.72	195.13
(B) Commitments:		
Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	54.42	862.21

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

36. Leases

The Company has taken certain warehouses and vehicles on rent for its business operations under leave and license agreements and rent agreements respectively. These are generally not non-cancellable agreements and they are for the periods not exceeding 12 months under the said agreements. The said agreements are renewable by mutual consent on mutually agreeable terms.

Lease payment recognised during the year: (₹ in Lakhs)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Lease Payments - Rent	41.59	20.21
Bus and Car Rent Payments (Included in note no. 26 under Staff Welfare Expenses)	40.36	29.05

The company has adopted Ind AS 116 w.e.f. 1st April 2019. The Company has elected to apply recognition exemption permitted under the said Ind AS and accounted these leases as short-term leases. Hence, the payments in relation to these leases are recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

37. Employee Benefits

The Company has classified various employee benefits as under:

A. Defined Contribution Plans

- i. Provident Fund
- ii. Superannuation Fund

The Provident Fund is operated by the Regional Provident Fund Commissioner and the Superannuation Fund is administered by the LIC of India as applicable for all eligible employees. Under the schemes, the Company is required to contribute a specified percentage of payroll costs to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.

The Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Contribution to Provident Fund	51.74	39.62
Superannuation Fund	2.44	2.22
Total	54.18	41.84

B. Defined Benefit Plans

The Company operates a gratuity plan covering qualifying employees. Under the gratuity plan, the eligible employees are entitled to post retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58, subject to a payment ceiling of ₹ 20 lakhs. The benefit vests upon completion of five years of continuous service as per "The Payment of Gratuity Act" and once vested it is payable to the employee on retirement or on termination of employment. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

The obligations under the compensated absences plan have been determined by Independent Actuary using Projected Unit Credit (PUC) method. Compensated absences is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. At the rate of daily salary, as per current accumulation of leave days.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

The provision towards Compensated Absences is as under:

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
Non-Current liability	25.48	47.71
Current liability	11.44	24.26
Total	36.92	71.97

Gratuity is defined benefit plan and Company is exposed to following Risks:

Interest Risk :

A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk :

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk :

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Mortality Risk :

Since the benefits under the plan is not payable for the life time and payable till retirement age only, plan does not have any longevity risk.

C. The Company offers the following employee benefits scheme to its employees

- a. Gratuity (Funded through annual payment to Life insurance corporation of India)
- b. Compensated absences encashment (Unfunded)

a. Gratuity

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

Particulars	Valuation as at	
	31 st March, 2024	31 st March, 2023
i. Discount Rate (per annum)	7.20%	7.30%
ii. Rate of increase in compensation levels (per annum)	6.00%	6.00%
iii. Expected Rate of Return on Assets	7.20%	7.30%
iv. Attrition Rate	30% p.a at Younger ages reducing to 5% p.a	
v. Mortality rate during the employment	Indian Assured Lives Mortality (2012-14) Table	Indian Assured Lives Mortality (2012-14) Table
vi. Actuarial Valuation Method	Projected Unit Credit Method	Projected Unit Credit Method
vii. Retirement Age (years)	58	58

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

- viii. The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc.
- ix. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.
- x. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

The provision towards the Gratuity is as under:

	(₹ in Lakhs)	
Particulars	As at 31st March, 2024	As at 31 st March, 2023
Current liability/(Asset)	(15.31)	(3.33)
Total	(15.31)	(3.33)

	(₹ in Lakhs)	
Particulars	For the year ended 31st March, 2024 Gratuity Funded	For the year ended 31 st March, 2023 Gratuity Funded
i. Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the year	86.36	77.40
Interest Cost	5.04	4.68
Current Service Cost	14.79	14.90
(Benefit Paid From the Fund)	(34.58)	(5.41)
Actuarial (Gains)/ Losses on Obligations - Due to Change in Financial Assumptions	(0.44)	(1.49)
Due to change in Demographic assumptions	-	(1.22)
Actuarial (Gains)/ Losses on Obligations - Due to Experience	1.30	(2.50)
Present Value of Benefit Obligation at the End of the year	73.36	86.36
ii. Changes in the Fair value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the year	89.70	78.25
Interest Income	5.83	5.25
Contributions by the Employer	28.06	12.14
(Benefit Paid From the Fund)	(34.58)	(5.41)
Return on Plan Assets, Excluding Interest Income	(0.33)	(0.54)
Fair Value of Plan Assets at the End of the year	88.67	89.70
iii. Net (Liability)/Asset Recognised in the Balance Sheet		
(Present Value of Benefit Obligation at the end of the year)	(73.36)	(86.36)
Fair Value of Plan Assets at the end of the year	88.67	89.70
Funded Status (Surplus/ (Deficit))	15.31	3.33
Net (Liability)/Asset Recognised in the Balance Sheet	15.31	3.33

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	For the year ended 31 st March, 2024 Gratuity Funded	For the year ended 31 st March, 2023 Gratuity Funded
iv. Expenses Recognised in the Statement of Profit or Loss for the Current year		
Current Service Cost	14.79	14.90
Net Interest Cost	(0.79)	(0.57)
Expenses Recognised	14.00	14.33
v. Expenses Recognised in the Other Comprehensive Income (OCI) for Current year		
Actuarial (Gains)/ Losses on Obligation For the year	1.75	(5.21)
Return on Plan Assets, Excluding Interest Income	0.33	0.54
Net (Income)/Expenses For the year Recognised in OCI	2.08	(4.66)
vi. Maturity Analysis of the Benefit Payments : From the Fund		
Projected Benefits Payable in Future Years From the Date of Reporting		
1 st Following Year	17.30	34.64
2 nd Following Year	6.82	14.19
3 rd Following Year	5.49	5.23
4 th Following Year	13.13	4.18
5 th Following Year	6.89	12.61
Sum of Years 6 to 10	24.26	20.20
vii. Sensitivity Analysis		
Projected Benefit Obligation on Current Assumptions	73.36	86.36
Delta Effect of +1% Change in Rate of Discounting	(2.93)	(2.05)
Delta Effect of -1% Change in Rate of Discounting	3.13	2.17
Delta Effect of +1% Change in Rate of Salary Increase	2.87	2.11
Delta Effect of -1% Change in Rate of Salary Increase	(2.81)	(1.99)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.10)	(0.15)
Delta Effect of -1% Change in Rate of Employee Turnover	0.05	(0.13)

Notes on Sensitivity Analysis

- i. Sensitivity analysis for each significant actuarial assumptions of the Company which are discount rate and salary assumptions as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes is presented in the table above.
- ii. In presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.
- iii. There is no change in the method from the previous period and the points /percentage by which the assumptions are stressed are same to those in the previous year.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

38. Information on Segment Reporting as per Ind AS 108 on “Operating Segments”

Operating Segments are those components of business whose operating results are regularly reviewed by the Chief Operating Decision making body in the Company to make decisions for performance assessment and resource allocation. The Company has identified two reportable segments, Speciality Chemicals and Trading in fruits & vegetables in terms of Ind AS 108 on “Operating Segments during F.Y 23-24

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
A. Segment Revenue		
a. Speciality Chemicals	8,927.20	11,055.86
b. Trading in Fruits and Vegetables	1,475.64	
Total Revenue	10,402.84	11,055.86
B. Segment Results		
Profit/(Loss) before Tax		
a. Speciality Chemicals	2,075.96	5,635.04
b. Trading in Fruits and Vegetables	162.62	-
Profit/(Loss) before Tax and Finance cost	2,238.58	5,635.04
Less: Interest Expense	19.51	-
Tax Expenses	630.33	1,444.33
Profit /(Loss) after Tax	1,588.74	4,190.71

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
Other Information :		
<u>Segment Assets</u>		
a. Speciality Chemicals	15,844.43	15,107.65
b. Trading in Fruits and Vegetables	422.74	-
Total	16,267.57	15,107.65
<u>Segment Liabilities</u>		
a. Speciality Chemicals	1,456.15	1,655.11
b. Trading in Fruits and Vegetables	-	-
Total	1,456.15	1,655.11
<u>Capital Expenditure during the year</u>		
a. Speciality Chemicals – Property, Plant and Equipment	2,917.08	510.38
b. Trading in Fruits and Vegetables	1.90	-
Total	2,918.98	510.38
<u>Depreciation during the year</u>		
a. Speciality Chemicals	285.12	178.27
b. Trading in Fruits and Vegetables	-	-
Total	285.12	178.27

Notes :

- i. One customer contributed 10% or more to the company’s revenue for F.Y. 2023-24 i.e. ₹ 1,478.30 lakhs (P.Y. ₹ 1,243.20 lakhs).
- ii. The revenue from the said customer pertains to the Speciality Chemicals.
- iii. The Group does not have any other reportable segment in terms of Ind AS 108 on “Operating Segments”.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

39. Related Party Disclosures:

Name of related parties and description of their relationships are as under:

(A) Key Managerial Personnel:

Mr. Amit M Mehta	Executive Chairman
Mr. G. S. Venkatachalam	Executive Director (till 06.02.24)
Mr. Tanmay Godiawala	Director (06.02.24 onwards)
Mr. Rajendra Chhabra	Professional Director-Non executive directors
Mr. Dhruv Mehta	Independent Director
Mr. Ambrish Dalal	Independent Director
Mrs. Kejal Pandya	Independent Director

(B) Relative of Key Managerial Personnel:

Mr. Mohak Mehta	Relative of Key Managerial personnel
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(C) Director of WOS:

Mr. Tanmay Godiawala	Director of WOS
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(D) Entities over which Key Managerial Personnel exercise significant influence:

S Amit & Co.
S Amit Speciality Chemicals Pvt. Ltd.
Reaxa Chemistry Solutions LLP
Finorga (I) Pvt. Ltd.
R.S.Chhabra & Co. (Prop. Mr Rajendra Chhabra)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

The following transactions were carried out with the related parties in ordinary course of business during the year:

(₹ in Lakhs)

Nature of Transaction	Entities over which Key Managerial Personnel exercise significant influence	Key Managerial personnel	Relative of Key Managerial personnel	Director of WOS	Total
Remuneration paid	-	148.51	23.60	20.67	192.80
	-	(163.43)	(24.56)	(18.81)	(206.81)
Mr. Amit M Mehta	-	97.91	-	-	97.91
	-	(107.23)	-	-	(107.23)
Mr. G. S. Venkatachalam	-	50.60	-	-	50.60
	-	(56.20)	-	-	(56.20)
Mr. Mohak Mehta	-	-	23.60	-	23.60
	-	-	(24.56)	-	(24.56)
Mr. Tanmay Godiawala	-	6.97	-	20.67	27.64
	-	-	-	(18.81)	(18.81)
Sitting Fees paid	-	10.41	-	-	10.41
	-	(13.12)	-	-	(13.12)
Mr. Rajendra Chhabra	-	3.24	-	-	3.24
	-	(3.74)	-	-	(3.74)
Mr. Ambrish Dalal	-	2.23	-	-	2.23
	-	(3.14)	-	-	(3.14)
Mr. Dhruv Mehta	-	2.30	-	-	2.30
	-	(3.10)	-	-	(3.10)
Mrs. Kejal Pandya	-	2.64	-	-	2.64
	-	(3.14)	-	-	(3.14)
Professional Fees	12.00	-	-	-	12.00
	(12.00)	-	-	-	(12.00)
R.S.Chhabra & Co.	12.00	-	-	-	12.00
(Prop. Mr. Rajendra Chhabra)	(12.00)	-	-	-	(12.00)
Commission	-	58.05	-	-	58.05
	-	(93.67)	-	-	(93.67)
Mr. Amit M Mehta	-	35.13	-	-	35.13
	-	(59.23)	-	-	(59.23)
Mr. G. S. Venkatachalam	-	15.44	-	-	15.44
	-	(18.15)	-	-	(18.15)
Mr. Rajendra Chhabra	-	3.40	-	-	3.40
	-	(7.40)	-	-	(7.40)
Mr. Dhruv Mehta	-	1.36	-	-	1.36
	-	(2.96)	-	-	(2.96)
Mr. Ambrish Dalal	-	1.36	-	-	1.36
	-	(2.96)	-	-	(2.96)
Mrs. Kejal Pandya	-	1.36	-	-	1.36
	-	(2.96)	-	-	(2.96)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

Nature of Transaction	Entities over which Key Managerial Personnel exercise significant influence	Key Managerial personnel	Relative of Key Managerial personnel	Director of WOS	Total
Reimbursement of Expenses	6.79 (15.67)	9.28 (0.13)	-	22.93 (7.11)	39.00 (22.92)
Mr. Amit M Mehta	-	9.05	-	-	9.05
Mr. G. S. Venkatachalam	-	-	-	-	-
S Amit Speciality Chemicals Pvt. Ltd.	(0.10)	0.23 (0.13)	-	-	0.23 (0.13)
S Amit & Co.	6.79 (15.57)	-	-	-	6.79 (15.57)
Mr. Tanmay Godiawala	-	0.24	-	22.93 (7.11)	23.17 (7.11)
Reimbursement from related parties	0.76	4.31	-	6.89	11.97
Mr. Amit M Mehta	-	4.07	-	-	4.07
Mr. G. S. Venkatachalam	-	0.25	-	-	0.25
S Amit Speciality Chemicals Pvt. Ltd.	0.52	-	-	-	0.52
S Amit & Co.	0.24	-	-	-	0.24
Mr. Tanmay Godiawala	-	-	-	6.89	6.89
Investment in Associates/ Joint Venture	174.65 (0.35)	-	-	-	174.65 (0.35)
KLJ Organic diamines limited	174.65 (0.35)	-	-	-	174.65 (0.35)
Unsecured Loans to Associates	70.27 (360.17)	-	-	-	70.27 (360.17)
KLJ Organic Diamines Limited	70.27 (360.17)	-	-	-	70.27 (360.17)
Recovery of Unsecured Loans from Associates	175.00	-	-	-	175.00
KLJ Organic Diamines Limited	175.00	-	-	-	175.00

Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Nature of Transaction	Entities over which Key Managerial Personnel exercise significant influence	Key Managerial personnel	Relative of Key Managerial personnel	Director of WOS	Total
Interest on Loans to Associates	25.77	-	-	-	25.77
	(12.38)	-	-	-	(12.38)
KLJ Organic Diamines Limited	25.77	-	-	-	25.77
	(12.38)	-	-	-	(12.38)
Recovery of Interest on Loan of Associates	11.15	-	-	-	11.15
	-	-	-	-	-
KLJ Organic diamines limited	11.15	-	-	-	11.15
	-	-	-	-	-
Purchase of Goods	30.48	-	-	-	30.48
	(135.42)	-	-	-	(135.42)
Reaxa Chemistry Solutions, LLP	30.48	-	-	-	30.48
	(3.54)	-	-	-	(3.54)
Reaxa Limited	-	-	-	-	-
	(131.88)	-	-	-	(131.88)
Purchase of Capital Goods (Inclusive of Tax)	-	-	-	-	-
	(35.40)	-	-	-	(35.40)
Reaxa Chemistry Solutions, LLP	-	-	-	-	-
	(35.40)	-	-	-	(35.40)
Sales of Goods/services (Inclusive of Tax)	43.18	-	-	-	43.18
	-	-	-	-	-
Reaxa Chemistry Solutions, LLP	43.18	-	-	-	43.18
	-	-	-	-	-
Rent of Office (Inclusive of Tax)	6.97	14.00	-	-	20.97
	(6.97)	-	-	-	(6.97)
Finorga (I) Pvt. Ltd.	6.97	-	-	-	6.97
	(6.97)	-	-	-	(6.97)
Mr. Amit M Mehta	-	14.00	-	-	14.00
	-	-	-	-	-

Amounts in bracket indicate previous year figures.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

Balance as at:		(₹ in Lakhs)	
Particulars	As at 31 st March, 2024	As at 31 st March, 2023	
Other payable:	62.60	112.53	
Remuneration :			
Mr. Amit M Mehta	2.00	8.94	
Mr. G. S. Venkatachalam	-	4.64	
Mr. Mohak Mehta	-	1.93	
Mr. Tanmay Godiawala	2.55	1.71	
Reimbursement of Expenses			
Mr. Tanmay Godiawala	-	0.21	
Legal & Professional Fees :			
R.S.Chhabra & Co. (Prop. Mr. Rajendra Chhabra) - Net of TDS	-	0.90	
Commission to Directors:			
Mr. Amit M Mehta	35.13	59.23	
Mr. G. S. Venkatachalam	15.44	18.15	
Mr. Rajendra Chhabra	3.40	7.40	
Mr. Dhruv Mehta	1.36	2.96	
Mr. Ambrish Dalal	1.36	2.96	
Mrs. Kejal Pandya	1.36	2.96	
Unsecured Loans:			
KLJ Organic Diamines Limited	256.68	372.56	
Financial Assets- Others:			
Interest Receivable:			
KLJ Organic Diamines Limited	23.19	-	
Trade receivables			
Reaxa Chemistry Solutions, LLP	20.23	-	
Trade Payable			
Reaxa Chemistry Solutions, LLP	3.16	-	
Finorga (I) Pvt. Ltd.	1.74	0.53	

Note - 'Terms and Conditions' (i) All outstanding balances are unsecured.

Category-wise break up of compensation to key management personnel is as follows:

		(₹ in Lakhs)	
Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023	
Short-term employee benefits	199.08	240.81	
Post-employment benefits*	-	-	

* Does not include provisions for incremental gratuity and compensated absences liabilities, since the provisions are based on actuarial valuations for the Company as a whole.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

40. Disclosures on financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements.

(a) Financial assets and liabilities:

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as at 31st March, 2024 and 31st March, 2023.

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
I. Financial assets:		
Measured at fair value through Other Comprehensive Income (FVTOCI)		
(a) Investments in equity instruments	1,443.16	1,330.28
Total	1,443.16	1,330.28
Measured at amortised cost		
Trade receivables	1,669.59	2,289.13
Cash and cash equivalents	254.47	261.05
Other bank balances	3,535.66	2,437.88
Other financial assets	294.12	386.46
Total	5,753.84	5,374.52
II. Financial liabilities:		
Measured at fair value through Profit and Loss (FVTPL)		
Derivatives		
- Forward Contracts	-	-
Total	-	-
Measured at amortised cost		
Trade payables	519.43	756.07
Other financial liabilities	337.76	367.65
Total	857.19	1123.72

The carrying value of Financial Assets and Financial Liabilities measured at amortised cost approximates to their fair values.

(b) Capital Management

The Group's objective when managing capital is to:

- Safeguard its ability to continue as a going concern so that the Group is able to provide maximum return to stakeholders and benefits for other stakeholders.
- Maintain an optimal capital structure to reduce the cost of capital.

The Group's Board of Directors reviews the capital structure on a regular basis. As part of this review, the Board considers the cost of capital, risk associated with each class of capital requirements and maintenance of adequate liquidity.

Fair Value Measurement:

This note provides information about how the Company determines fair values of various financial assets.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

Fair value of the Company's financial assets / financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined.

(₹ in Lakhs)

Particulars	As at 31 st March, 2024			As at 31 st March, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Financial assets / liabilities at fair value through other comprehensive income (FVTOCI)						
Financial assets measured at fair value						
Investments in equity -						
Quoted	1,443.16	-	-	1,330.28	-	-
Unquoted	-	-	133.31	-	-	-

Valuation technique and key input: Level 1-Quoted bid prices from Stock Exchange

(₹ in Lakhs)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Reconciliation of Level 3 fair value measurements		
Unlisted shares valued at fair value		
Balance at the beginning of the year	-	0.09
Purchases	175.00	-
Fair value changes	(41.69)	(0.09)
Balance at the end of the year	133.31	-

Reconciliation of Level 3 fair value measurements

Unlisted shares valued at fair value

Balance at the beginning of the year	-	0.09
Purchases	175.00	-
Fair value changes	(41.69)	(0.09)
Balance at the end of the year	133.31	-

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements (except fair value of investments in equity instruments and Derivatives - Forward Contracts) approximate their fair values.

There has been no transfers between level 1, level 2 and level 3 for the years ended 31st March, 2024.

2. Disclosure related to Derecognition of investments in equity instruments measured at fair value through other comprehensive income during the reporting period;
 - (a) **the reasons for disposing of the investments** - The company has not disposed of certain long term investments in equity instruments in current year.
 - (b) **the fair value of the investments at the date of derecognition** - Sale Price on the date of sale.
 - (c) **the cumulative gain or loss on disposal** - Gain on disposal ₹ NIL (P.Y Loss ₹ 4.22 Lakhs)

(c) Financial risk management:

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Company's principal financial liabilities comprise of borrowings (if any), trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations in selective instances. The Company's principal

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and investments. The company is exposed to market risk, credit risk, liquidity risk etc. The objectives of the Company's financing policy are to secure solvency, limit financial risks and optimise the cost of capital. The Company's capital structure is managed using equity and debt ratios as part of the Company's financial planning.

(a) Market risk:

Market risk is the risk that changes in market prices- such as foreign exchange rates, interest rates and equity prices- will affect the Company's income or the value of its holdings of financial instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return. The major components of market risk are foreign currency risk, interest rate risk and price risk.

(i) Foreign Currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

Foreign currency exposure as at year end are hedged as per the policy of the company

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Amount in Foreign currency	₹ in Lakhs	Amount in Foreign currency	₹ in Lakhs
Payable USD	471467.40	393.23	789783.30	654.55

Foreign Currency Sensitivity:

The Company is principally exposed to foreign currency risk against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

USD sensitivity at year end	(₹ in Lakhs)	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Assets:		
Weakening of INR by 5%	-	-
Strengthening of INR by 5%	-	-
Liabilities:		
Weakening of INR by 5%	(19.66)	(32.01)
Strengthening of INR by 5%	19.66	32.01

Forward foreign exchange contracts

It is the policy of the Company to enter into forward foreign exchange contracts to cover foreign currency payments in USD. The Company enters in to contracts with terms up to 120 days.

Forward cover is obtained from bank for each of the aggregated exposures and the Trade deal is booked. The forward cover deals are all backed by actual trade underlines and

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

settlement of these contracts on maturity are by actual delivery of the hedged currency for settling the underline hedged trade transaction.

Though the forward contracts are not designated as hedging instruments, they are used for hedging foreign currency exposure and outstanding as at year ended 31st March, 2024 and 31st March, 2023 are as under:-

Outstanding contracts	Average exchange rates		Foreign Currency	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
USD-Sell	83.40	82.88	471467.40	789783.30

(₹ in Lakhs)

Outstanding contracts	Nominal Amounts		Fair Value	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
In INR	393.23	654.55	393.23	654.55
Total	393.23	654.55	393.23	654.55

(II) Interest rate risk:

The Company invests the surplus fund generated from operations in bank deposits . Bank deposits are made for a period of up to 12 months and carry interest rate of 5%-5.10% as per prevailing market interest rate.

Considering these bank deposits are short term in nature, there is no significant interest rate risk. There is no significant utilisation of borrowings.

(III) Price risk:

The Company's equity securities price risk arises from investments held and classified in the balance sheet at fair value through OCI. The Company's equity investments in Securities are publicly traded.

Price sensitivity analysis:

The sensitivity of profit or loss in respect of investments in equity shares at the end of the reporting period for +/-5% change in price and net asset value is presented below:

Other comprehensive income for the year ended 31st March, 2024 would increase / decrease by ₹ **72.16 Lakhs** (P.Y. ₹ 66.51 Lakhs) as a result of 5% changes in fair value of equity investments measured at FVTOCI.

(b) Credit risk:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in equity instruments and trade receivables.

None of the financial instruments of the Company result in material concentrations of credit risks, which may result into financial loss for the company.

(c) Liquidity risk:

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company may be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹ in Lakhs)

Particulars	Less than 1 year	1 Years to 3 Years	3 Years to 5 Years	5 Years and above
As at 31st March, 2024				
Trade payables	519.12	0.31	-	-
Other Financial Liabilities	337.76	-	-	-
Total	856.88	0.31	-	-
As at 31st March, 2023				
Trade payables	755.76	0.31	-	-
Other Financial Liabilities	367.65	-	-	-
Total	1,123.41	0.31	-	-

41. Additional Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to the Schedule III to the Companies Act, 2013 :

Name of the Entity in the Group	Net Assets (Total Assets Minus Total Liabilities)		Share in Profit/ (Loss) after Tax		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 Total	Amount (₹ in lakhs)	As % of Total	Amount (₹ in lakhs)
As at 31st March, 2024								
Parent Company								
Diamines and Chemicals Limited	101.80	15,077.64	114.87	1,777.13	100.00	98.43	113.58	1,875.56
Sub Total (A)		15,077.64		1,777.13		98.43		1,875.56
Subsidiary Company								
DACL Fine Chem Limited	7.01	1,038.54	(12.63)	(195.45)	-	-	(11.88)	(195.45)
Associates Company								
KLJ Organic Diamines Limited	-	-	(2.69)	(41.69)			(2.53)	(41.69)
Sub Total (B)		1,038.54		(237.14)		-		(237.14)
Eliminations (C)	(8.81)	(1,304.76)	0.46	7.06	-	-	0.43	7.06
Sub Total (A+B+C)	100.00	14,811.41	100.00	1,547.05	100.00	98.43	100.00	1,645.48
As at 31st March, 2023								
Parent Company								
Diamines and Chemicals Limited	100.27	13,489.01	100.75	4,221.95	100.00	(182.61)	100.79	4,039.33
Sub Total (A)		13,489.01		4,221.95		(182.61)		4,039.33
Subsidiary Company								
DACL Fine Chem Limited	9.17	1,233.98	(0.56)	(23.44)	-	-	(0.58)	(23.44)
Associates Company								
KLJ Organic Diamines Limited	-	-	(0.01)	(0.35)	-	-	(0.01)	(0.35)
Sub Total (B)		1,233.98		(23.79)		-		(23.79)
Eliminations (C)	(9.44)	(1,270.46)	(0.19)	(7.81)	-	-	(0.19)	(7.81)
Sub Total (A+B+C)	100.00	13,452.54	100.00	4,190.36	100.00	(182.61)	100.00	4,007.74

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

42. Disclosures on Financial Ratios

Ratio	Numerator	Denominator	31-Mar-24	31-Mar-23	Variance %	Reason for variance
Current ratio	Current Assets	Current Liabilities	7.29	5.44	0.34 times	Current Assets ratio Increased due to Increased Fixed deposits, inventory.
Debt-Equity Ratio	Total Debt	Shareholder's Equity	-	-	-	
Debt Service Coverage ratio	Earnings available for debt service (1)	Debt Service (2)	-	-	-	
Return on Equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	10.73%	35.71%	-69.96%	Return on Equity ratio decreased on account of decrease in Net earning of the company.
Inventory Turnover ratio	Cost of goods sold	Average Inventory	2.83	2.91	-0.02 times	No major changes.
Trade Receivable Turnover Ratio	Net Credit Sales (3)	Average Accounts Receivable	5.25	7.37	-0.29 times	Decrease due to reduction in annual turn over.
Raw Material Trade Payable Turnover Ratio (4)	Net Credit Purchases	Average Trade Payables	6.54	11.11	-0.41 times	Decreases due to reduction in RM Purchase compared to previous year.
Net Capital Turnover Ratio	Net Sales (5)	Working Capital (6)	1.61	1.97	-0.18 times	Net Capital Turnover ratio decrease due to Overall decrease in revenue from operations as compared to previous year.
Net Profit ratio	Net Profit	Net Sales (5)	15.27%	37.90%	-59.71%	Net Profit ratio decreased on account of reduction in Average sales price of material mix as well as increase in cost of raw material consumed during the year.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed (7)	14.69%	40.81%	-64.00%	Return on capital employed ratio decreased on account of decrease in EBIT of the company
Return on Investment	Income from invested funds (8)	Average Invested Funds (9)	6.88%	8.87%	-22.43%	

(1) Net Profit after taxes + Non-cash operating expenses (like depreciation and other amortizations) + Interest + Other Adjustments (like Loss on sale of PPE)

(2) Interest & Lease Payments + Principal Repayments

(3) Gross Credit Sales - Sales Return

(4) Gross Credit Purchases - Purchase Return

(5) Total Sales - Sales Return

(6) Current Assets - Current Liabilities

(7) Tangible Net Worth + Total Debt + Deferred Tax Liability

(8) Income generated from invested funds represents Interest Income, Actual Gain / (Loss) on Sale of Investments in Shares / Mutual Funds and Notional Gain / (Loss) on unsold investments in Shares / Mutual Funds

(9) Average invested funds represents Average Investments in Fixed deposits, Equity Shares and Mutual Funds

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

43. Employee Stock Option

At the 45th Annual General Meeting of the Company held on July 20, 2021 members of the company passed a special resolution to introduce and implement Company's Employees Stock Option Scheme called "DACL - Employees Stock Option Plan 2021" ("the Scheme"). Thereafter during the year under review, the Company has received in-principle approval of 2,00,000 shares from the BSE Limited on December 16, 2021.

During the year, the Company has granted 2127 (Grant 8) Stock Option (Previous year: stock options 9060 grant 1 to 7) to the employees as Reward/Joining bonus for the year ended March 31, 2024. During the year ended 31st March 2024, The Company has charged to statement of profit and loss as Employee benefit Expenses of ₹ **6.51 Lakhs** (P.Y. ₹ 7.42 Lakhs) and the balance in employee share option outstanding a/c as at March 31, 2024 is ₹ **2.76 lakhs**. (March 31,2023 ₹ 7.42 lakh) by creating an Employee stock option reserve which is grouped under the head "Other Equity"

1. Option Movement during the year ended 31st March, 2024

Grant no.	1	2	3	4	5	6	7	8
Fair value/Weighted average price per ESOP option (in ₹)	276.27	275.12	348.7	221.16	349.24	413.41	285.53	553.26
Number of options outstanding at beginning of the year	2500	810	1500	1000	750	1500	1000	-
Add: Number of options granted during the year	-	-	-	-	-	-	-	2127
Less: Number of options forfeited / lapsed during the year	2500	-	1500	1000	750	1500	1000	-
Less: Number of options exercised during the year	-	750	-	-	-	-	-	-
Number of options outstanding at the end of the year	-	60	-	-	-	-	-	2127
Weighted average years of expiry	4 years	1 years	3 years	3 years	4 years	4 years	4 years	4 years

2. Option Movement during the year ended 31st March, 2023

Grant no.	1	2	3	4	5	6	7
Fair value/Weighted average price per ESOP option (in ₹)	276.27	275.12	348.7	221.16	349.24	413.41	285.53
Number of options outstanding at beginning of the year	2500	810	1500	1000	750	1500	1000
Add: Number of options granted during the year	-	-	-	-	-	-	-
Less: Number of options forfeited / lapsed during the year	-	-	-	-	-	-	-
Less: Number of options exercised during the year	-	-	-	-	-	-	-
Number of options outstanding at the end of the year	2500	810	1500	1000	750	1500	1000
Weighted average years of expiry	4 years	2 years	3 years	3 years	4 years	4 years	4 years

3. Details of Employee Stock options Plans

Summary of the general terms of the grant under stock option plans are as under

Particulars	Summary of the general terms of the grant under stock option plans are as under							
	11-05-22	11-05-22	10-08-22	10-08-22	10-08-22	06-02-23	06-02-23	03-08-23
Grant no.	1	2	3	4	5	6	7	8
Number of Options granted	2500	810	1500	1000	750	1500	1000	2127
Option value as on grant date								
Fair value/Weighted average price per ESOP option (in ₹)	276.27	275.12	348.7	221.16	349.24	413.41	285.53	553.26
Face value per ESOP option (in ₹)	10	10	10	10	10	10	10	10
Value of Option (in ₹)	690684	222851	523050	221160	261930	620115	285530	1176784
Parameters of Fair value of options as on grant date								
Stock price as on grant date (in ₹)	283.8	283.8	356.8	356.8	356.8	420.9	420.9	587.65
Exercise Price (in ₹)	10	10	10	178	10	10	210.45	10
Volatility (%)	44.99	44.99	42.80	42.80	42.80	51.58	51.58	56.87
Risk Free rate (%)	7.10	7.10	7.01	7.01	7.01	7.21	7.21	7.18
Dividend Yield								1.17%
Expected life of the option	4 years	2 years	3 years	3 years	4 years	4 years	4 years	4 years
Method of Settlement								Equity Shares
Option valuation Method								Black-Scholes Model
Method of Accounting								Fair value method

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

4. Vesting Condition

Vesting shall be computed through past performance (Reward Option plan) and future Performance (Retention option plan) evaluation method based on conditions Pre-communicated to employees.

Vesting of the Stock Options may commence after the expiry of a minimum period of 1 (one) year from the date on which the options were granted, and may extend up to such time as may be decided at the discretion of the Committee from the date of grant provided that the vesting period shall not exceed 5 (five) years. The vesting may occur in tranches, and may be subject to such terms and conditions of vesting, as may be stipulated by the Committee, in its sole and exclusive discretion.

44. The Group does not have any Immovable Property whose title deeds are not held in the name of the Company.

45. The Group does not have any transactions with struck-off companies.

46. The Group has sought balance confirmations from trade receivables and trade payables, wherever such balance confirmations are received by the Company, the same are reconciled and appropriate adjustments if required, are made in the books of account.

47. The previous year's figures have been regrouped wherever necessary to make it comparable with the current year.

48. Approval of Consolidated Financials Statements

The Consolidated Financial Statements were approved for issue by the Board of Directors on 24th May, 2024. (adjourned)

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Shripal Shah
Partner
Membership No. 114988
Place : Vadodara
Date : 24th May, 2024

For and on behalf of the Board

Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place :Vadodara
Date :24th May, 2024

Tanmay Godiawala
Director
DIN: 07084668
Place : Mumbai
Hemaxi Pawar
Company Secretary

ATTENDANCE SLIP

CIN NO: **L24110GJ1976PLC002905**

NAME OF THE COMPANY:**Diamines and Chemicals Limited**

REGISTERED OFFICE: Plot No.13, PCC Area, P.O. Petrochemicals, Vadodara – 391 350

Please complete this Attendance Slip and hand over at the Entrance of the Hall.

I/We hereby record my/our presence at the 48th Annual General Meeting held at Plot No.13, PCC Area,P.O. Petrochemicals,Vadodara –391 350 at **11:00 PM on Tuesday, the 23rd July, 2024.**

Regd. Folio/DP ID & Client ID	
Name and Address of the Shareholder (s):	
No. of shares held	
If Shareholder (s), Please Sign here	If Proxy, Please Sign here

Form No: MGT-11
PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN NO: **L24110GJ1976PLC002905**

NAME OF THE COMPANY:**Diamines and Chemicals Limited**

REGISTERED OFFICE: Plot No.13, PCC Area, P.O. Petrochemicals, Vadodara – 391 350

Name of Member (s):

Registered Address:

E-mail Id:

Folio No/Client Id:

DP ID:

I/We, being the member (s) of _____, Shares of the above named Company, hereby appoint:

- 1) Name: _____
 Address: _____

 E-mail Id:
 Signature: _____, or failing him

- 2) Name: _____
 Address: _____

 E-mail Id:
 Signature: _____, or failing him

- 3) Name: _____
 Address: _____

 E-mail Id:
 Signature: _____,

.....
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 48th (Forty-Eighth) Annual General Meeting of the Company, to be held on the **23rd day of July, 2024 at 11:00 AM** at Registered office of the Company situated at Plot No. 13, PCC Area, P. O. Petrochemicals, Vadodara – 391 350 and/or at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

- 1) To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended on March 31, 2024 together with the Reports of the Board of Directors' and Auditors' thereon including the Audited Consolidated Financial Statement of the Company for the year ended on March 31, 2024.
- 2) To appoint a Director in place of Mr. Amit Mehta (DIN: 00073907) who retires by rotation and being eligible, offers himself for re-appointment.
- 3) To declare Final Dividend of ₹ 2.50 per Ordinary (Equity) share of Rs.10/- each for the financial year 2023-2024.
- 4) Ratification of Remuneration to Cost Auditor
- 5) Continuation of term of Mr. Amit Mehta (DIN: 00073907) as an Executive Chairman upon attaining age of Seventy Years
- 6) Re-appointment of Mr. Dhruv Mehta (DIN: 02083226) as an Independent Non-Executive Director of the company
- 7) To approve payment of Remuneration of Mr. Rajendra Chhabra as Non- Executive Director in the category of Professional Director exceeding fifty per cent of the total Remuneration/Compensation fees payable to all the other Non-Executive of the Company for the Financial Year 2025-26

Sign this _____ day of _____ 2024

Signature of Shareholder: _____

Signature of proxy holder (s): _____



Note: this form of Proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.

Form No: MGT-12
POLLING PAPER

[Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

CIN NO: **L24110GJ1976PLC002905**

NAME OF THE COMPANY:**Diamines and Chemicals Limited**

REGISTERED OFFICE: Plot No.13, PCC Area, P.O. Petrochemicals, Vadodara – 391 350

BALLOT PAPER

Sr. No	Particulars	Details
1	Name of the First Named Shareholder (In Block Letters)	
2	Postal Address	
3	Registered Folio No. /*Client ID. No. (*Applicable to investors holding shares in dematerialized form)	
4	Class of Share	

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No.	Particulars	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
1	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended on March 31, 2024 together with the Reports of the Board of Directors' and Auditors' thereon including the Audited Consolidated Financial Statement of the Company for the year ended on March 31, 2024.			
2	To appoint a Director in place of Mr. Amit Mehta (DIN: 00073907) who retires by rotation and being eligible, offers himself for re-appointment.			
3	To declare Final Dividend of ₹ 2.50 per Ordinary (Equity) share of ₹ 10/- each for the financial year 2023-2024.			
4	Ratification of Remuneration to Cost Auditor			
5	Continuation of term of Mr. Amit Mehta (DIN: 00073907) as an Executive Chairman upon attaining age of Seventy Years			
6	Re-appointment of Mr. Dhruv Mehta (DIN: 02083226) as an Independent Non-Executive Director of the company			
7	To approve payment of Remuneration of Mr. Rajendra Chhabra as Non- Executive Director in the category of Professional Director exceeding fifty per cent of the total Remuneration/Compensation fees payable to all the other Non-Executive of the Company for the Financial Year 2025-26			

Place:

Date:

(Signature of Shareholder)

To

If undelivered, please return to



Diamines and Chemicals Limited

Regd Office :
Plot No. 13, PCC Area, P.O. Petrochemicals,
Vadodara - 391 350.