



July 31, 2025

To,

BSE Limited

25, P. J. Towers,

Dalal Street,

Mumbai – 400 001

Scrip Code: 500120

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,

Bandra — Kurla Complex, Bandra (E)

Mumbai — 400 051

Symbol: DIAMINESQ

Sub. Submission of Annual Report 2024-2025 and Notice convening the 49th Annual General Meeting of the Company

Ref. Intimation under Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 as amended.

Dear Sir/Ma'am,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report of the Company for the Financial Year 2024-2025 along with the Notice convening the 49th Annual General Meeting will be held on Thursday, September 04, 2025 at the Registered office of the Company situated at Plot No. 13, PCC Area, P.O. Petrochemicals, Vadodara- 391 350.

Kindly take the same on record.

Thanking You.

For Diamines and Chemicals Limited

Hemaxi Pawar

Company Secretary

Membership No. A52581

Encl: As above

49th
ANNUAL REPORT
2024-2025



Diamines And Chemicals Limited
CIN NO:L24110GJ1976PLC002905

STANDALONE FINANCIAL HIGHLIGHTS OF THE LAST DECADE

(₹ in Lakhs)

| FINANCIAL YEAR ENDING | 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 | 31.03.2025 |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| TOTAL REVENUE (INCLUDING EXCISE DUTY) | 4338.38 | 3984.76 | 3882.38 | 4,001.11 | 4,828.11 | 7,138.46 | 6,536.95 | 6792.85 | 11330.69 | 10676.05 | 7514.57 |
| OPERATING PROFIT (LOSS)(PBITD) | 514.09 | 482.18 | 940.97 | 1,203.24 | 1,989.61 | 3,731.61 | 2,770.48 | 2386.06 | 5851.43 | 2692.71 | 981.82 |
| PROFIT (LOSS) BEFORE INCOME TAX | (29.75) | 8.52 | 573.59 | 823.93 | 1781.91 | 3517.34 | 2548.39 | 2210.71 | 5666.28 | 2407.46 | 631.24 |
| PROFIT (LOSS) AFTER INCOME TAX | (155.38) | 25.33 | 479.81 | 708.90 | 1313.18 | 2398.58 | 2103.37 | 1672.35 | 4221.95 | 1777.13 | 448.73 |
| GROSS PPE* | 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 | 7020.90 |
| NET PPE* | 2929.99 | 2733.10 | 2544.58 | 2413.87 | 2444.90 | 2444.91 | 2246.56 | 3755.02 | 2688.79 | 5038.42 | 4910.52 |
| NET CURRENT ASSETS | 387.80 | 304.52 | 1617.33 | 2011.26 | 2641.79 | 4523.11 | 5026.30 | 4746.96 | 5630.83 | 6868.50 | 8261.75 |
| EQUITY SHARE CAPITAL | 978.32 | 978.32 | 978.32 | 978.32 | 978.32 | 978.32 | 978.32 | 978.32 | 978.32 | 978.40 | 978.40 |
| RESERVES & SURPLUS (excluding revaluation reserve) | 2070.24 | 2103.10 | 2779.26 | 3282.66 | 3902.71 | 5539.65 | 7524.25 | 9045.92 | 12510.69 | 14099.24 | 15589.45 |
| BOOK VALUE (₹) | 31.16 | 31.50 | 38.40 | 43.55 | 49.89 | 66.62 | 86.91 | 102.46 | 137.88 | 154.12 | 169.34 |
| EARNING PER SHARE | | | | | | | | | | | |
| Basic (₹ in) | (1.59) | 0.26 | 4.90 | 7.25 | 13.42 | 24.52 | 21.50 | 17.09 | 43.15 | 18.16 | 4.59 |
| Diluted (₹ in) | (1.59) | 0.26 | 4.90 | 7.25 | 13.42 | 24.52 | 21.50 | 17.09 | 43.12 | 18.16 | 4.58 |
| EQUITY DIVIDEND (%) | - | - | 15% | 25% | 50% | 80% | 50% | 30% | 60% | 25% | 10% |

* 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. Tanmay Godiawala | Director |
| Mr. Rajendra Chhabra | Professional Director |
| Mr. Dhruv Mehta | Independent Director |
| Dr. Ambrish Dalal | Independent Director (upto 11.08.2024) |
| Mr. Priyam Jhaveri | Independent Director (from 09.08.2024) |
| 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 MUFG Intime India Private limited (From 31.12.2024).
(Formally known as 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 **49th (Forty-Ninth)** Annual General Meeting (AGM) of the members of M/s. Diamines and Chemicals Limited will be held on **Thursday, the 4th Day of September, 2025** at 11.30 AM at the Registered Office of the Company situated at Plot No. 13, PCC Area, P. O. Petrochemicals, Vadodara – 391 350 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, 2025 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, 2025.
2. To appoint a Director in place of Mr. Rajendra Chhabra (DIN: 00093384) who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare Final Dividend of ₹1/- per Ordinary (Equity) share of ₹10/- each for the financial year 2024-2025.

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 ₹50000/- (Rupees Fifty Thousand only) (Inclusive of all) plus applicable taxes, to M/s. S S Puranik & Associates (Firm Registration No: 100133) Cost & Management Accountants, Vadodara appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2025-26."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To Confirm Appointment and Remuneration of M/S Sandip Seth and Associates, Secretarial Auditor for a term of 5 years

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 Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), if any, and pursuant to the recommendation of Audit Committee and Board of Directors of the Company, M/s. Sandip Seth and Associates, Company Secretary, Ahmedabad (Firm Peer Review Regn No.: 1427/2021), be and are hereby appointed as Secretarial Auditor of the Company for the term of five consecutive years, to hold office from April 01, 2025 to March 31, 2030, on such terms and remuneration as may be mutually agreed upon between the said Auditors and Board of Directors of the Company."

"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. Amit Mehta (DIN: 00073907) as an Executive Chairman

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 of the Companies Act, 2013, read with Schedule V and other applicable provisions of the Companies Act, 2013, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and subject to any other approval(s) as may be necessary, if any applicable to the Company and, based on the recommendations of Nomination and Remuneration Committee and further approval of Board of Directors, the Company hereby approves the terms of re-appointment after the age of 70 years and remuneration of Mr. Amit Mehta (DIN: 00073907), as an Executive Chairman of the Company for a further period of 3 (Three) years from April 01, 2026 to March 31, 2029, on such terms and conditions and duties as set out in the draft agreement placed before the members, duly initialed for the purpose of identification, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment as may be mutually agreed between the Board and Mr. Amit Mehta, liable to retire by rotation.”

“RESOLVED FURTHER THAT the remuneration and perquisites including the monetary value thereof as specified in the draft agreement may be varied, increased, expanded, enhanced, enlarged, widened or altered in accordance with the provisions relating to the payment of Managerial remuneration under the Companies Act, 2013 or any amendments thereof or re-enactments thereof and that the aforesaid draft agreement between the Company and Mr. Amit Mehta be suitably amended to give effect to the same in such manner as may be agreed to between the Board and Mr. Amit Mehta, subject to the condition that the remuneration shall not be exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof read with regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.”

“RESOLVED FURTHER THAT Mr. Tanmay Godiawala, Director of the Company be and is hereby authorized to enter into an agreement on behalf of the Company with Mr. Amit Mehta in terms of the aforesaid draft agreement with modifications if any, and that the common seal of the Company be affixed thereto in the presence of Mr. Tanmay Godiawala, Director of the Company.”

“RESOLVED LASTLY THAT the Board of Directors of the Company (including Committee(s) of the Board), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution in the manner most beneficial to 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 2026-27

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 2026-27 (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 29, 2025

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 & September 19, 2024 or any other circular will be issued from time to time (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 the Annual General Meeting physically at the Registered Office of the Company on September 04, 2025.
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 & 6 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 **August 29, 2025 to September 04, 2025** (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 2017-18 and 2018-19 (Interim) are requested to claim their unclaimed dividend before August 31, 2025 and November 30, 2025, respectively. Members who have not en-cashed their above Dividend Warrants may approach the Company/RTA immediately for revalidation. The Company shall thereafter as mention 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.

The Company has sent reminders to the eligible holders whose dividend remains unpaid or unclaimed for a period of seven years.

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, Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 November 17, 2023 and SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024 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 the Company's Registrar & Share Transfer Agent or to the Company Secretary at the registered office of the Company. Requisite forms are also available on the website of the Company www.dacl.co.in.

MUFG Intime India Private Limited, Registrar and Share Transfer Agent ("RTA") of the Company has developed a platform "SWAYAM" which is a secure, user-friendly web-based application that empowers shareholders to effortlessly access various services. We request you to get registered and have first-hand experience of the portal.

This application can be accessed at <https://swayam.in.mpms.mufg.com/>. The following are some of the features of application:

- Effective Resolution of Service Request - Generate and Track Service Requests/Complaints through SWAYAM
- Track Corporate Actions like Dividend/Interest/Bonus/split.
- PAN-based investments - Provides access to linked PAN accounts, Company wise holdings and security valuations.
- Effortlessly Raise request for Unpaid Amounts.
- Self-service portal – for securities held in demat mode and physical securities, whose folios are KYC compliant.

- Statements - View entire holdings and status of corporate benefits.
 - Two-factor authentication (2FA) at Login - Enhances security for investors.
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 MUFG Intime India Private Limited (From 31.12.2024)**
(Formally known as Link Intime India Private Limited)
Geetakunj 1, Bhakti Nagar Society,
Behind ABS Tower, Old Padra Road,
Vadodara- 390015.
Te. (0265) 3566768
Email: vadodara@in.mpms.mufg.com
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.in.mpms.mufg.com/client-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: **2 shareholders & 66 shares**
 - (iii) Number of shareholders to whom shares were transferred from suspense account during the year: **2 shareholders & 66 shares (from Suspense Account to shareholder) and 21 shareholder & 1114 shares (from suspense account to IEPF)**
 - (iv) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; **73 Shareholders & 2123 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 August 28, 2025 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 49th Annual General Meeting (AGM) and the business at the 49th AGM may be transacted through such voting. The Company has entered into an agreement with M/S MUFG Intime India Private Limited (From 31.12.2024) (Formally known as Link Intime India Private Limited) 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 MUFG Intime India Private Limited (Formally Known as Link Intime India Private Limited) 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 LIPL, on all resolutions set forth in this Notice.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE VOTING ARE AS UNDER:

- The voting period begins on August 31, 2025 at 9:00 a.m. and ends on September 03, 2025 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 August 28, 2025, 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. 250351)

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access e-Voting facility.

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

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - Individual Shareholders registered with NSDL IDeAS facility

Shareholders 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. Click on "Login"
- c) After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders 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 successful registration, user will be provided with Login ID and password.
- d) After successful login, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - Individual Shareholders directly visiting the e-voting website of NSDL

- Visit URL: <https://www.evoting.nsdl.com/>
- Click on the “Login” tab available under ‘Shareholder/Member’ section.
- 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.
- Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
- Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – Individual Shareholders registered with CDSL Easi/ Easiest facility

Shareholders who have registered/ opted for CDSL Easi/ Easiest facility:

- Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com.
- Click on New System Myeasi
- Login with existing my easi username and password
- After successful login, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime, for voting during the remote e-voting period.
- Click on “Link InTime/ MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders who have not registered for CDSL Easi/ Easiest facility:

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

METHOD 2 - Individual Shareholders directly visiting the e-voting website of CDSL

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

- Login to DP website
- After Successful login, user shall navigate through “e-voting” option.
- Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.

- d) After successful authentication, click on “Link InTime / MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date August 28, 2025 for e-voting may register for InstaVote as under:

1. Visit URL: <https://instavote.linkintime.co.in>

Shareholders who have not registered for INSTAVOTE facility:

2. Click on “**Sign Up**” under ‘SHARE HOLDER’ tab and register with your following details:

A. User ID:

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

- 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 **NSDL form**, shall provide ‘D’ above*

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

- Enter Image Verification (CAPTCHA) Code

- Click “Submit” (You have now registered on InstaVote).

Shareholders who have registered for INSTAVOTE facility:

3. Click on “**Login**” under ‘SHARE HOLDER’ tab.

A. User ID: Enter your User ID

B. Password: Enter your Password

C. Enter Image Verification (CAPTCHA) Code

D. Click “Submit”

4. Cast your vote electronically:

A. After successful login, you will be able to see the “Notification for e-voting”.

B. Select ‘View’ icon.

C. E-voting page will appear.

D. 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).

- E. 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 ("Custodian / Corporate Body/ Mutual Fund")

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on **"Sign Up"** under "Custodian / Corporate Body/ 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). 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) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on **"Investor Mapping"** tab under the Menu Section
- c) Map the Investor with the following details:
 - a. 'Investor ID' -
 - i. NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID i.e., *IN00000012345678*
 - ii. CDSL demat account – User ID is 16 Digit Beneficiary ID.
 - b. 'Investor's Name' - Enter Investor's Name as updated with DP.
 - c. 'Investor PAN' - Enter your 10-digit PAN.
 - 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 or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures.
 - e. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on **"Votes Entry"** tab under the Menu section.
- c) Enter the **"Event No."** for which you want to cast vote.
Event No. can be viewed on the home page of InstaVote under "On-going Events".
- 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'.
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.

OR

METHOD 2 - VOTES UPLOAD

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.

- b) After successful login, you will be able to see the “Notification for e-voting”.
- c) Select “**View**” icon for “**Company’s Name / Event number**”.
- d) E-voting page will appear.
- e) Download sample vote file from “**Download Sample Vote File**” tab.
- f) Cast your vote by selecting your desired option ‘Favour / Against’ in the sample vote file and upload the same under “**Upload Vote File**” option.
- g) 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:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufig.com or contact on: - Tel: 022 – 4918 6000.

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 |
| 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:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on “**Login**” under ‘SHARE HOLDER’ tab.
- Click “**forgot password?**”
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case shareholders have a 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 information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. 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:

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

- Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
- Click "**forgot password?**"
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a 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 information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. 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:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Other Instructions:

- i. The remote e-voting period commences on Sunday, August 31, 2025 (9.00 a.m. IST) and ends on Wednesday, September 03, 2025 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on August 28, 2025, may cast their vote electronically. The e-voting module shall be disabled by MUFG 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 August 28, 2025.
- 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 Wednesday, September 03, 2025 (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 Wednesday, September 03, 2025 (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 29, 2025
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. 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, taxation, project implementation system 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 appointed him as a Professional Non-Executive Directors for the period of 3 years with effect from November 06, 2020 and reappointed from November 06, 2023, to avail his technical and professional expertise and to gain immense benefit from his profound experience and knowledge.

Mr. Rajendra Chhabra holds 18,600 equity shares in the Company. He holds directorship in the following companies;

Diamines and Chemicals Limited

Value E-Healthcare Limited

It will be in the interest of the Company that Mr. Rajendra Chhabra continues to remain on Board of Director of the Company.

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. Rajendra Chhabra, to whom the resolution relates, are interested or concerned, financially or otherwise 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. S S Puranik & Associates (Firm Registration No: 100133), Cost & Management Accountants, to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2026.

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 2025-26 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: To Confirm Appointment and Remuneration of M/S Sandip Seth and Associates, Secretarial Auditor for a term of 5 years

With reference to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 dated December 12, 2024, every listed entity and its material unlisted subsidiaries incorporated in India shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and shall annex a Secretarial Audit Report in such form as specified, with the annual report of the listed entity.

Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, has specified that an individual may be appointed for a term of 5 years and a firm may be appointed for a maximum of 2 terms of 5 years each subject to the approval of shareholders in a general meeting.

The proposal is received from the Firm "Sandip Sheth & Associates" ("SSACS") Firm vide UIN:- P2001GJ041000, the firm of whole time Company Secretaries in Practice since August 2001, in the field of

corporate law, finance, loan syndication, management audit, budgeting, legal drafting and other related areas. The Firm's clientele is located all over Gujarat, Maharashtra and overseas at USA, Netherland, Singapore etc., The Practicing CS firm is Peer Reviewed by Institute of Company Secretaries of India.

The Board of Directors at their meeting held on May 29, 2025, based on recommendations of the Audit Committee, have approved the appointment of M/s Sandip Sheth & Associates, the firm of whole time Company Secretaries in Practice (Firm UIN:- P2001GJ041000) as Secretarial Auditors of the Company for first term of five consecutive years from April 01, 2025 to March 31, 2030 at such remuneration as may be mutually agreed upon by the Board of Directors of the Company and Secretarial Auditors. The appointment is subject to approval of the shareholders of the Company.

In accordance with the provisions of Sections 204 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, M/s Sandip Sheth & Associates, the firm of whole time Company Secretaries in Practice, Ahmedabad, have provided their consent and eligibility certificate to that effect that, their appointment, if made, would be in compliance with the applicable laws.

All the relevant documents, consent letter, eligibility certificate etc. are available for inspection till the date of AGM on all working days during business hours.

The Board recommends the ordinary resolutions as set out in Item No. 5 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolutions as set out in Item No. 5 of the Notice.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under SEBI Listing Regulations.

ITEM NO. 6 Re-appointment of Mr. Amit Mehta (DIN: 00073907) as an Executive Chairman

Mr. Amit Mehta was appointed as an Executive Chairman for a period of 3 (Three) years with effect from April 01, 2020 and reappointed with effect from April 01, 2023. The current term will be expired on March 31, 2026. The board of directors of the company in its meeting held on May 29, 2025, re-appointed Mr. Amit Mehta after the age of 70 years, for a period of 3 (Three) years starting from April 01, 2026 to March 31, 2029, on the remuneration and other terms & conditions as approved by the board. 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 reappointment as an Executive Chairman. The Nomination and Remuneration Committee and Audit Committee has considered the matter and recommended the re-appointment after the age of 70 years of Mr. Amit Mehta to the Board, subject to the approval of members as required under the provisions of the Companies Act, 2013, read with Schedule V of the Companies Act, 2013.

Mr. Amit Mehta aged 70 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. Mr. Amit Mehta holds 12,66,032 Equity Shares in the Company and he holds Directorship/designated partnership in following Companies/LLPs:

- | | |
|---|--|
| 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. Global Local Lifestyle Services Private Limited |
| 9. DACL Fine Chem Limited | 10. KLJ Organic Diamines Limited |
| 11. Locobiz Innovations Private Limited | 12. Hi-End Property Developers LLP |
| 13. Express Interiors & Contractors LLP | 14. Reaxa Chemistry Solutions LLP |
| 15. Mohar Properties & Trading LLP | 16. Agreo Solutions LLP |

It will be in the interest of the Company that Mr. Amit Mehta continues as Director of the Company after the age of 70 years. Mr. Amit Mehta is interested in this resolution since it relates to his reappointment.

The details of terms and conditions and the remuneration payable to Mr. Amit Mehta, as an Executive Chairman as contained in the draft agreement to be placed before the members for their approval are set out below:

- a) Gross Salary: Not exceeding ₹ 2 lakhs per month with authority to the Board of Directors to revise it from time to time subject to overall remuneration shall not exceed the remuneration limits provided in Schedule V (Part-II, Section-II) of Companies Act, 2013 read with applicable Rules made thereunder and regulation 17 (6) (e) of SEBI (LODR) Regulations, 2015 as amended from time to time, Leave Encashment payable on monthly basis as a part of Remuneration.
- b) Perquisite: (as per applicable provisions of the income Tax Act, 1961)
 - 1) Rent Free Furnished Accommodation
 - 2) Payment / reimbursement of electricity charges on Rent Free Furnished Accommodation not exceeding ₹ 6 lakhs per year against submission of relevant documents
 - 3) Payment / reimbursement of actual Medical Expense incurred for self and family not exceeding ₹ 6 lakhs per year against submission of relevant documents
 - 4) use of company car with driver or alternatively reimbursement of car expenses including petrol, maintenance, repairs & insurance
- c) The Company shall pay commission to the Executive Chairman as approved by the Nomination and Remuneration Committee from year to year not exceeding ₹ 200 lakhs per year, based on the performance of the Company, provided that the total remuneration shall not exceed the ceilings mentioned in Schedule V (Part II, Section-II) of the Companies Act, 2013 read with regulation 17 (6) (e) of SEBI (LODR) Regulations, 2015 as amended from time to time.

Subject to supervision and control of the Board of Directors of the Company, Executive Chairman shall be in charge of affairs of the Company and exercise such functions and powers as may be entrusted to him by the Board of Directors from time to time.

The total aggregate of the remuneration payable to Mr. Amit Mehta shall not exceed the limits as per Part II of Section II of Schedule V of the Companies Act, 2013 read with applicable Rules made thereunder and Regulation 17 (6) (e) of SEBI (LODR) Regulations, 2015 as amended.

The Executive Chairman shall be entitled to be reimbursed in respect of actual expenses incurred by him (including travelling and entertainment etc.) for and on behalf of the company.

Statement containing information required to be given as per item (iv) of third proviso of Section II of part II of Schedule V of the Companies Act, 2013.

| I. GENERAL INFORMATION: | | |
|-------------------------|--|--|
| (1) | Nature of Industry | Manufacturing range of Ethylene amines at its factory situated at Plot. No. 13, P.C.C Area, P.O. Petrochemicals, Vadodara – 391 350. |
| (2) | Date of commencement of commercial production. | Existing Company and hence not applicable. |
| (3) | In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. | Existing Company and hence not applicable. |
| (4) | Financial Performance based on given indicators. (As at 31 st March 2025) | Particulars |
| | | ₹ in Lakhs |
| | | Turnover (Net Sales) |
| | | 7139.29 |
| | | Operating Profit |
| | | 981.82 |

| | | | |
|-----|---|---|----------|
| | | Net Profit/(Loss) Before Tax | 631.24 |
| | | Debt Equity Ratio | - |
| | | Current Ratio | 7.83 |
| | | Net Worth | 16567.85 |
| (5) | Export Performance | The Company has achieved export Turnover FOB value of ₹ 226.21 lakhs for the Financial Year ended on 31.03.2025. | |
| (6) | Foreign Investments or collaborators, if any. | None | |
| II. | INFORMATION ABOUT THE APPOINTEE: | | |
| (1) | Background Details | Mr. Amit Mehta was the Vice Chairman (Non-Executive) of the Company since March 14, 2001. He was appointed as Chairman w.e.f. December 03, 2019 and as an Executive Chairman w.e.f. April 01, 2020 for the period of 3 years and reappointed w.e.f. April 01, 2023 and further reappointed w.e.f April 01, 2026 for the period of 3 years. He is also one of the Promoters of the Company. Mr. Amit Mehta aged 70 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. | |
| (2) | Past Remuneration | ₹ 66.31 lakhs (FY 2024-25) | |
| (3) | Recognition or Awards | None | |
| (4) | Job Profile and his suitability | Mr. Amit Mehta as an Executive Chairman is responsible for the general conduct and management of the business and affairs of the Company. He is working under the superintendence, control and direction of the Board of Directors of the Company. He shall also exercise and perform such powers and duties as the Board of Directors of the Company may from time to time determine and shall also do and perform all other rights and things which in the ordinary course of business he may consider necessary or proper or in the interest of the Company. He has vast experience in the business of chemicals. | |
| (5) | Remuneration Proposed | As mentioned in the abstract of remuneration given in the preceding paras and Mr. Amit Mehta shall not exceed the limits as per Part II of Section II of Schedule V of the Companies Act, 2013 read with applicable Rules made thereunder and Regulation 17 (6) (e) of SEBI (LODR) Regulations, 2015 as amended. | |
| (6) | Comparative remuneration profile with respect to industry, size of the company, profile of the position and person. | The proposed remuneration is commensurate with the skills and experience of the appointee. Mr. Amit Mehta has been appointed as an Executive Chairman having superintendence and control of the Board of Directors of the Company to carry out such duties on day to day basis as entrusted to him. The remuneration proposed | |

| | | |
|------|--|---|
| | | is in line with and prevailing in similar industry and having regard to the size of the Company. |
| (7) | Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any. | He is Promoter of the Company and holding substantial stake in the Company along with promoters and promoter group. Further he is not having any pecuniary relationship directly or indirectly with other managerial personnel. |
| III. | OTHER INFORMATION: | |
| (1) | Reasons of loss or inadequate profits. | Since last few years, the Company has witnessed adequate profitability and turnover however the reappointment is for 3 years w.e.f. April 01, 2026, so for future uncertainty in chemical Industry, it also considered to opt schedule V of the Companies Act, 2013 in case of loss or inadequate profit. |
| (2) | Steps taken or proposed to be taken for improvement | However, the Company continues to earn profit and hence there are no specific steps required to take. Indeed the Company continues its practice to better cost control, improving efficiency etc. Though the prices of raw materials and products are influenced by external factors, the company is also making all possible efforts to improve the margins. |
| (3) | Expected increase in productivity and profits in measurable terms. | The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. This will enable Company to improve its margin in years, continuing to good returns from Chemical industry. |
| IV. | DISCLOSURES: | |
| (1) | The required disclosure to the shareholders of the Company about remuneration package of the managerial person and all elements of remuneration package such as salary, benefits, bonuses, stock options, pensions etc., of all the directors; details of fixed component and performance linked incentives along with the performance criteria; Service contract, notice period, severance fees; Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable has been made in the Annual Report of the Company, wherever applicable . | |

Appointment of Mr. Amit Mehta as an Executive Chairman of the Company and payment of remuneration to him requires approval of the members through Special Resolution. The Company has not made any default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon in terms of the proviso of clause (B) of Section II of Part II of Schedule V of the Companies Act, 2013.

Consequently, the said resolution for reappointment of Mr. Amit Mehta as an Executive Chairman for the period of 3 years w.e.f. April 01, 2026 on the remuneration as set out in the draft Agreement, requires approval of Members in General Meeting. Hence, your directors recommend the resolution Item no.6 for your approval as Special Resolution.

Mr. Amit Mehta is Director and Promoters of the Company.

Necessary documents in this regard are available for inspection by the Members during business hours on any working day till the date of AGM.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the aforesaid resolution except Mr. Amit Mehta and recommend your acceptance thereof in the interest of the Company.

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 2026-27

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 2026-27 (till tenure of his current term ended on November 05, 2026), requiring approval of members in terms of aforesaid provision.

Hence, a 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 29, 2025
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

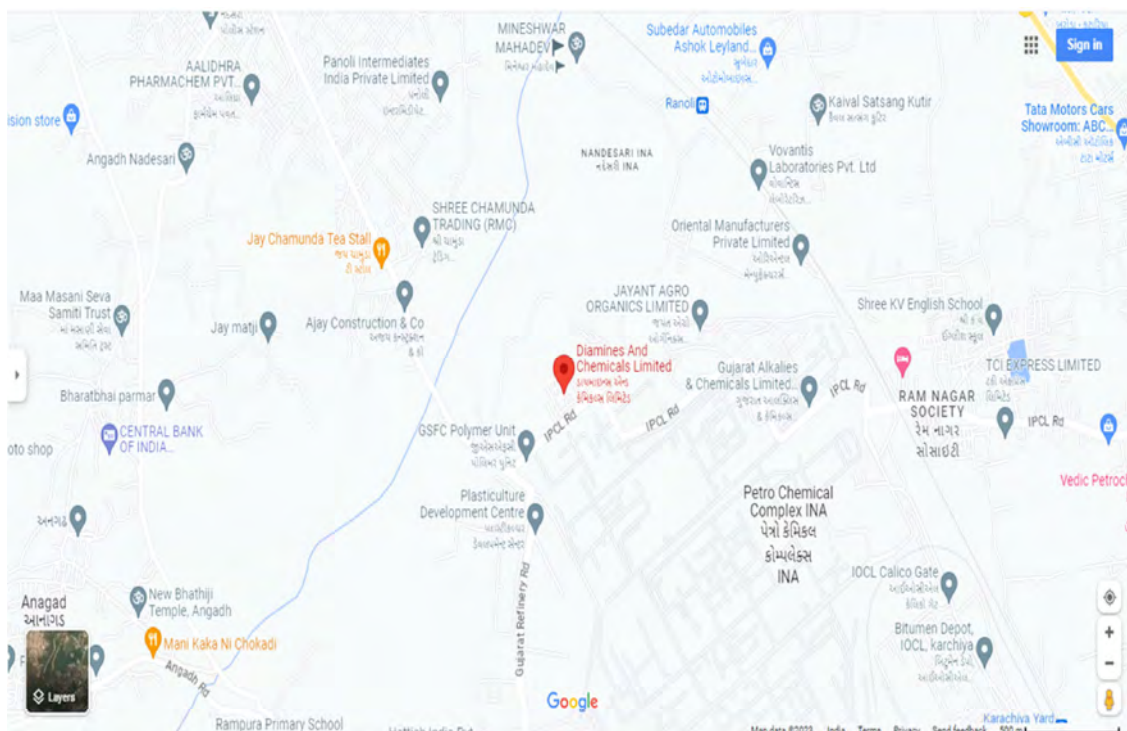
Annexure to the Notice

**DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT
IN 49TH 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 |
| Date of birth | June 15, 1954 |
| Date of Appointment on Board | w.e.f. April 01, 2026 approved by the Board in its meeting held on May 29, 2025 |
| Brief Profile/Experience/Expertise in specific functional area | Mr. Amit Mehta, age 70 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. |
| Qualifications | B. Sc. Chemistry |
| Terms and conditions of appointment/re-appointment | 3 Years |
| Details of remunerations ought to be paid | As per special resolution approved by members |
| Remuneration last drawn by such person, if applicable | 66.31 lakhs (FY 2024-25) |
| Relationship with other Directors, Manager and other Key Managerial Personnel of the Company | NA |
| Number of Meetings of the Board attended during the year | 6 (FY 2024-25) |
| Directorship/Designated Partnership held in other companies | <ol style="list-style-type: none"> 1. Perfo Chem (I) Private Limited 2. S. Amit Specialty 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. Global Local Lifestyle Services Private Limited 9. DACL Fine Chem Limited 10. KLJ Organic Diamines Limited 11. Locobiz Innovations Private Limited 12. Hi-End Property Developers LLP 13. Express Interiors & Contractors LLP 14. Reaxa Chemistry Solutions LLP 15. Mohar Properties & Trading LLP 16. Agreo Solutions LLP |
| Membership/Chairmanship of committees of other companies* | <u>Diamines and Chemicals Limited</u> Chairperson - Corporate Social Responsibility Committee Member - Stakeholders Relationship committee |
| Shareholding in the company | 12,66,032 |

**ROUTE MAP:-
Venue to the 49th 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 49th Annual Report of the Company together with the Audited Standalone and Consolidated Financial Statements of Accounts for the year ended March 31, 2025.

1. Financial Results

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

(₹ in Lakhs)

| Particulars | Standalone Year Ended | | Consolidated Year Ended | |
|--|--------------------------|-------------------|----------------------------|-------------------|
| | March 31, 2025 | March 31, 2024 | March 31, 2025 | March 31, 2024 |
| Net Sales and Other Income | 7,514.57 | 10,676.05 | 7464.66 | 10658.70 |
| Profit before Finance costs and Depreciation Expenses | 981.82 | 2,692.72 | 861.19 | 2523.70 |
| Finance cost | 33.86 | 19.42 | 33.99 | 19.51 |
| Depreciation and amortisation expenses | 316.72 | 265.83 | 349.32 | 285.12 |
| Profit from ordinary activities before Tax Expense | 631.24 | 2,407.46 | 477.88 | 2219.07 |
| Tax expense | | | | |
| Current tax | 181.87 | 577.04 | 181.87 | 577.03 |
| Tax Related to earlier years | (15.57) | 7.28 | (15.57) | 7.28 |
| Deferred tax | 16.21 | 46.02 | 16.21 | 46.02 |
| Net Profit from ordinary activities after tax | 448.73 | 1,777.13 | 295.37 | 1588.74 |
| Share of Profit/(loss) of Associates | - | - | (22.31) | (41.69) |
| Net Profit after share of Profit/(Loss) of Associates | 448.73 | 1,777.13 | 273.06 | 1,547.05 |
| Other comprehensive income /(expense) (net of tax) | 24.71 | 98.43 | 24.71 | 98.45 |
| Total comprehensive income for the period | 473.44 | 1,875.56 | 297.77 | 1,645.49 |
| Net Profit / (loss) attributable to | | | | |
| a) Owners of the Company | - | - | 273.06 | 1,547.05 |
| b) Non controlling interest | - | - | - | - |
| Other comprehensive income attributable to | | | | |
| a) Owners of the Company | - | - | 24.71 | 98.44 |
| b) Non controlling interest - | - | - | - | - |
| Total comprehensive income attributable to | | | | |
| a) Owners of the Company | - | - | 297.77 | 1,645.49 |
| b) Non controlling interest | - | - | - | - |
| Balance of profit brought forward | 13,077.02 | 11,585.77 | 12810.80 | 11549.31 |
| Dividend | | | | |
| Dividend (Final) | (97.84) | (293.50) | (97.84) | (293.50) |
| Transfer to General Reserve | - | - | - | - |
| Balance carried to Balance Sheet | 13,277.09 | 13,077.02 | 12835.20 | 12810.80 |
| Basic & diluted earning per equity share on Net profit from ordinary activities after tax (face value ₹ 10/- each) (In ₹) | | | | |
| Basic | 4.59 | 18.16 | 2.79 | 16.24 |
| Diluted | 4.58 | 18.16 | 2.79 | 16.23 |

2. Dividend

Dividend paid during the year ended March 31, 2025 include ₹ 2.50 per equity share towards Final dividend for the year ended March 31, 2024 on 9783990 equity shares of ₹ 10/- each.

The Board of Directors recommended a final dividend of ₹ 1/- per Ordinary share on 9783990 ordinary shares of ₹ 10/- each for the year ended on March 31, 2025. The Dividend for the year ended March 31, 2025 is subject to the approval of members at the Annual General Meeting on September 04, 2025 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 2024-25 was registered at ₹ 7514.57 lakhs as compared to income of ₹ 10676.05 lakhs for the year 2023-24.

Net profit after tax was ₹ 448.73 lakhs as compared to ₹ 1777.13 lakhs in the previous financial year.

Sales volumes for the year 2024-25 were at 1792.05 MT as compared to 1796.34 MT for the year 2023-24.

Consolidated:

Consolidated total income for the financial year 2024-25 stood at ₹ 7464.66 lakhs while net profit / (loss) after tax reported at ₹ 295.37 lakhs.

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 has transferred Final Dividend for FY 2016-17 ₹ 3,90,227/- and 23844 corresponding shares during the year ended March 31, 2025. The Company had declared Dividend during FY 2017-18 and 2018-19 (Interim) and the unclaimed Dividend amount ₹ 5,21,797/- and ₹ 10,25,766/- respectively as on March 31, 2025, is due for transfer to Investor Education and Protection Fund..
- (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 |
|-------------------|---|--|---------------------------------------|--|
| 2017-18 | 521797/00 | 06-Aug-18 | 10-Sep-25 | 10-Oct-25 |
| 2018-19 (Interim) | 1025766/00 | 26-Oct-18 | 30-Dec-25 | 29-Jan-26 |
| 2018-19 (Final) | 382042/00 | 09-Aug-19 | 13-Oct-26 | 12-Nov-26 |
| 2019-20 (Interim) | 720728/00 | 04-Feb-20 | 09-Apr-27 | 09-May-27 |
| 2019-20 (Final) | 629768/00 | 04-Sep-20 | 08-Nov-27 | 08-Dec-27 |
| 2020-21 | 550673/00 | 20-Jul-21 | 23-Sep-28 | 22-Oct-28 |
| 2021-22 | 377786/00 | 28-Jun-22 | 01-Sept-29 | 30-Sept-29 |
| 2022-23 (Interim) | 398972/00 | 14-Nov-22 | 18-Jan-30 | 17-Feb-30 |
| 2022-23 (Final) | 362911/00 | 21-Jun-23 | 24-Aug-30 | 23-Sept-30 |
| 2023-24 (final) | 512521/50 | 01-Aug-24 | 06-Oct-31 | 05-Nov-31 |

- 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. The team of First Aiders are trained and certified as part of the Emergency Management Crew.

The Company has received ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 Certificate from Bureau Veritas (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, reduces 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. The 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:

Your 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, 2025 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 ₹ 70.65 Lakhs in the area of Education and Health. The CSR policy of the Company may be accessed on the Company website at the link: [chrome-extension://](#)

efaidnbmnnnibpcajpcglclefindmkaj/https://dacl.co.in/wp-content/uploads/2024/06/policy4.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

There was no other significant 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 chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://dacl.co.in/wp-content/uploads/2024/06/policy7.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.** Details of transactions with Related party, in which directors are interested, are also given in Note 41 in Standalone Financial Statement and Note no.40 in Consolidated Financial Statement.

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.

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 chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://dacl.co.in/wp-content/uploads/2025/07/Draft_Annual_Return_2024_25_web.pdf

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

The Company had 6 (Six) Board meetings during the financial year. During the year under review, Board Meetings were held respectively on May 22, 2024 and adjourned at May 24, 2024, July 09, 2024, August 09, 2024, October 01, 2024, October 24, 2024 and February 06, 2025. 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 6 held) |
|---------|--------------------------------------|---|
| 1. | Mr. Amit M. Mehta | 6/6 |
| 2. | Mr. Tanmay Godiawala | 6/6 |
| 3. | Mr. Rajendra Chhabra | 6/6 |
| 4. | Dr. Ambrish Dalal (upto 11.08.2024) | 3/6 |
| 5. | Mr. Priyam Jhaveri (From 09.08.2024) | 3/6 |
| 6. | Mr. Dhruv Mehta | 6/6 |
| 7. | Mrs. Kejal Pandya | 6/6 |

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, 2025. During the year, the Board has approved to invest ₹ 20 crores against issue of Equity shares by Wholly Owned Subsidiary to the Company in Cash on Preferential basis.

During the year 2022, the 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%). 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

Dr. Ambrish Dalal has ceased to be the Non-Executive Independent Director on expiry of his 2nd term w.e.f Monday August 12, 2024 and Mr. Priyam Jhaveri was appointed as an Independent Director in the Category of Non-Executive Director of the Company w.e.f. August 09, 2024, the same was approved by the Shareholder as on September 17, 2024 by way of Postal Ballot.

Mr. Rajendra Chhabra 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 is being re-appointment as an Executive Chairman w.e.f April 01, 2026 subject to approval of the Members at 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 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.

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.

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 the 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 the 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 for the period of 5 years from FY 2025-26 i.e. April 01, 2025, 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.

Further, Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, has specified that an individual may be appointed for a term of 5 years and a firm may be appointed for a maximum of 2 terms of 5 years each subject to the approval of shareholders in a general meeting.

The Board of Directors at their meeting held on May 29, 2025, based on recommendations of the Audit Committee, have approved the appointment of M/s Sandip Sheth & Associates, the firm of whole time Company Secretaries in Practice (Firm UIN:- P2001GJ041000) as Secretarial Auditors of the Company for first term of five consecutive years from April 01, 2025 to March 31, 2030 at such remuneration as may be mutually agreed upon by the Board of Directors of the Company and Secretarial Auditors. The appointment is subject to the approval of the shareholders of the Company.

c. Internal Auditors

Pursuant to provisions of section 138(1) of the Companies Act, 2013, the Company has reappointed M/s. CNK & Associates LLP, Chartered Accountants, as Internal auditors of the Company, to undertake the Internal Audit of the Company for the Financial Year 2025-26.

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. S S Puranik & Associates, Practicing Cost Accountants, a partnership firm have been appointed as the Cost Auditor for the financial year 2025-26. 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 2025-26.

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 chrome-extension://efaidnbmnnnibpcajpcgclefindmkaj/https://dacl.co.in/wp-content/uploads/2024/06/policy6.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).

During the year, the company had issued 9,06,390 warrants each convertible into, or exchangeable for 1 (one) fully paid-up equity share of the Company of face value of ₹ 10/- each at a price of ₹ 552/- (Rupees Five Hundred Fifty-Two only) each (including the Warrants subscription price 25% and Warrant exercise price 75%) including premium of ₹ 542/- (Rupees Five Hundred Forty-Two only) each on preferential basis.

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 1750 (shares granted at 5th tranche) and 4002 (shares granted at 6th tranche) Stock Option to the employees as Reward/Joining bonus, for the year ended March 31, 2025.

The Details of ESOP as on March 31, 2025, are as follow:

| Particulars | No. of Options for the FY 2023-24 | No. of Options for the FY 2024-25 |
|--|--|--|
| Total number of Options for which Shareholder's approval obtained:At 45 th Annual General Meeting held on July 20, 2021 | 2,00,000 | 2,00,000 |
| Opening Balance | 2,00,000 | 1,97,063 |
| Number of Options granted | 11,187 | 5752 |
| 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 | 1,91,311 |

*During the year, the Company had not allotted any 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: chrome-extension://efaidnbmnnnibpcajpcgiclfindmkaj/https://dacl.co.in/wp-content/uploads/2025/07/ESOP_Disclosure_by_BOD_2024_25_Final.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://dacl.co.in/investors-relation/#1728121848324-63af14d1-9f95>. 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 <chrome-extension://efaidnbmnnnibpcajpcgiclfindmkaj/https://dacl.co.in/wp-content/uploads/2024/06/policy11.pdf>. During the 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 <chrome-extension://efaidnbmnnnibpcajpcgiclfindmkaj/https://dacl.co.in/wp-content/uploads/2024/06/policy8.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 2024-25. 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 29, 2025
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 2024-25 amounted to ₹ 7514.57 lakhs compared to ₹ 10,676.05 lakhs of the previous year 2023-24. The Standalone operating profit after tax amounted to ₹ 448.73 lakhs compared to ₹ 1777.13 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 40 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 advantages 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 marketplace 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, 2025. 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 2025-26, 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 2025-26 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, the Company has received In-principle approval from Stock Exchanges on September 19, 2024 to allot 9,16,390 (Nine Lakh Sixteen Thousand Three Hundred Ninety) warrants ("Warrants"), each convertible into, or exchangeable for 1 (one) fully paid-up equity share of the Company of face value of ₹ 10/- each at a price of ₹ 552/- (Rupees Five Hundred Fifty-Two only) each (including the Warrants subscription price and Warrant exercise price) including premium of ₹ 542/- (Rupees Five Hundred Forty-Two only) each payable in cash aggregating upto ₹ 50,58,47,280/- (Rupees Fifty Crores Fifty-Eight Lakh Forty-Seven Thousand Two Hundred Eighty only) on preferential allotment basis to the Promoter/ Promoter Group of the Company and certain identified non - promoter persons / entities by way of preferential allotment. The Company has allotted 9,06,390 Warrants on October 01, 2024, on receipt of 25% subscription money from proposed Allottees.

The Warrants may be exercised into equity shares in one or more tranches by the Proposed Allottees at any time before the expiry of 18 months from the date of allotment of the Warrants (October 01, 2024). After conversion, Equity of the Company will be raised by 906390 Equity Shares.

Wholly Owned Subsidiary (WOS):

During the year, the meeting of Board of Directors of WOS held on October 23, 2024, the Board was informed that the WOS require fund of ₹ 20,00,00,000/- (Rupees Twenty Crores Only) for the procurement of additional land for plant set up, payment of professional fees for engineering / consultancy contract and including deleveraging the interest cost and other relevant cost to meet implementation of proposed project for Specialty chemicals. The WOS will receive consideration ₹ 20,00,00,000/- in cash from the Company in lieu of issuing Equity shares on preferential basis at a price as may be decided based on the valuation report of the registered valuer, for an amount not exceeding ₹ 20,00,00,000/- in one or more tranches.

HUMAN RESOURCE:

Human Resource (HR) Department's primary objective is to strategically manage the organization's most valuable asset - its people. This involves attracting and hiring the right talent, fostering employee development through training and performance management, ensuring a positive and productive work environment, and aligning workforce capabilities with organizational goals. HR also plays a critical role in maintaining legal compliance, promoting employee engagement and retention, and driving a culture of continuous improvement and innovation to support long-term business success.

HR department facilitates different kinds of training in all aspects like functional, Safety, Environment, BBS, Compliance etc. It helps to enhance employee skills, improve performance, support career growth, increase efficiency, ensure compliance, and boost engagement. It helps the organization adapt to change, stay competitive, and achieve its goals effectively. In the current reporting period, the company has invested **430 man-hours** in motivational training, alongside ongoing functional training programs. These efforts help the organization remain agile, competitive, and aligned with evolving business needs.

Our company prepares individual KRAs (Key Result Areas) and KPAs (Key Performance Areas) through structured meetings with the respective Heads of Departments (HODs). This collaborative approach ensures that every employee's responsibility and performance indicators are well-defined and aligned with their

departmental goals. Importantly, all individual objectives are directly linked to the overall corporate objectives, creating a clear line of sight from personal performance to organizational success. This alignment drives accountability, enhances focus, and supports the achievement of strategic business outcomes.

In line with our growth strategy, the company has on boarded **24 new team members** across projects, R&D, and support functions. This includes skilled workmen, engineers, and managers who bring technical expertise and functional knowledge. Our company is aggressively focusing on employee retention by creating a supportive, engaging, and growth-oriented work environment. We are implementing targeted initiatives such as structured career development programs, competitive compensation, regular recognition and rewards, employee wellness activities, and open communication channels. By listening to employee feedback and addressing their needs proactively, we aim to build long-term trust, reduce turnover, and foster a committed, high-performing workforce aligned with our organizational goals.

In employee engagement, our 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. The Engagement Committee is responsible for fostering a positive, inclusive, and motivating workplace culture. Its main role is to design and implement initiatives that boost employee morale, strengthen team collaboration, and enhance overall job satisfaction. This includes organizing events, recognizing employee achievements, gathering feedback, promoting wellness, and encouraging open communication. By actively engaging employees, the committee supports higher productivity, lower turnover, and a stronger connection between employees and organizational goals.

We strongly believe in promoting a healthy work-life balance, enabling our employees to spend quality time with their families, enjoy their social lives, and recharge mentally and physically. By supporting flexible and balanced work environments, we empower our team members to maintain personal well-being, which in turn enhances focus, productivity, and overall performance at work. A happy, well-balanced employee is key to both individual success and organizational growth.

We are committed to maintaining 100% legal compliance across all our HR practices and organizational operations. Upholding full compliance with applicable laws and regulations is fundamental to our ethical standards and business integrity. This commitment ensures a fair, safe, and transparent workplace for all employees while protecting the company's reputation and long-term sustainability.

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 2024-25 | FY 2023-24 | Reason for significant change |
|----------------------------------|-------------------|-------------------|--|
| Debtors Turnover Ratio (times) | 4.54 | 5.19 | Not Applicable |
| Inventory Turnover Ratio (times) | 1.47 | 2.83 | Increase in Raw Material Inventory |
| Current Ratio (times) | 7.83 | 7.77 | Not Applicable |
| Operating Profit Margin (%) | 9.32 | 23.33 | Profit Margin declined mainly due to impact of reduction of sales price and increasing material cost |
| Net Profit Margin (%) | 6.29 | 17.08 | Profit Margin declined mainly due to impact of reduction of sales price and increasing material cost |
| Dividend Per Share (₹) | 1.00 | 2.50 | Due to reduction in profit margin |
| Earnings Per Share (times) | | | |
| Basic (₹) | 4.59 | 18.16 | Due to reduction in Net profit |
| Diluted (₹) | 4.58 | 18.16 | Due to reduction in Net profit |
| P/E Ratio (times) | 68.54 | 27.90 | Decrease in EPS factor as compared to reduction in market price. |
| Return on Net Worth (%) | 2.71 | 11.78 | Due to reduction in Net profit |

Interest Coverage and Debt Equity Ratio is not relevant here as the company has not availed any long-term debt during the year. No major utilization of working capital loan during the year.

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 29, 2025
Place : Mumbai

Amit Mehta
Executive Chairman
DIN: 00073907

ANNEXURE - B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

| Particulars | Current Year 2024 – 25 | Previous Year 2023 – 24 |
|--|---------------------------|----------------------------|
| A. POWER AND FUEL CONSUMPTION: | | |
| Electricity | | |
| a) Purchased Unit | 2158624 | 2392185 |
| Total Amount (₹ in lakhs) | 201.94 | 236.96 |
| Rate/Unit (₹) | 9.35 | 9.90 |
| b) Own Generation | | |
| Through Diesel generator | | |
| Units | 47172 | 38164 |
| Units/Ltr. of Diesel Oil | 4.94 | 2.64 |
| Cost/Unit (₹) | 18.27 | 34.73 |
| Coal | | |
| Quantity in tonnes | 3254 | 3300.07 |
| Total Cost (₹ in lakhs) | 289.01 | 321.19 |
| Average Rate/Tonne | 8881.83 | 9732.86 |
| LDO & FO | | |
| Quantity in tonnes | 277.72 | 286.87 |
| Total Cost (₹ in lakhs) | 167.55 | 160.90 |
| Average Rate / Tonne | 60333.05 | 56087.74 |
| B. CONSUMPTION PER TONNE OF PRODUCTION: | | |
| Production of Speciality Chemicals (MT) | 1665 | 1812.16 |
| Electricity (Unit) | 1324.80 | 1341.14 |
| Coal (Tonnes) | 1.95 | 1.82 |
| FO/LDO (Tonnes) | 0.16 | 0.15 |

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 | : | ₹ 13.01 lakhs |
| b) Revenue | : | ₹ 171.71 lakhs |
| c) Total | : | ₹ 184.72 lakhs |
| d) Total R&D expenditure | : | 2.59% 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, | 2025 (₹ in Lakhs) | 2024 (₹ in Lakhs) |
|------------------------------------|----------------------|----------------------|
| Foreign Exchange Earnings* | 226.21 | 620.61 |
| Foreign Exchange Outgo\$ | 2309.86 | 2744.83 |

* 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 | 3 | 3 |
| 2 | Mr. Rajendra Chhabra | Director | 3 | 3 |
| 3 | Ms. Kejal Pandya | Director | 3 | 3 |
| 4 | Mr. Tanmay Godiawala | Director | 3 | 3 |

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: <chrome-extension://efaidnbmnnnbpcjpcglclefindmkaj/https://dacl.co.in/wp-content/uploads/2024/06/policy4.pdf>

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 setoff in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for setoff for the financial year, if any- NIL

| 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 section135(5) - ₹ 35,32,60,888/-

7. (a) Two percent of average net profit of the company as per section135(5) - ₹ 70,65,218/-

(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).- ₹ 70,65,218/-

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 |
| 70,65,300 | - | - | - | - | - |

(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) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|-------|---|---|----------------------|--------------------------|--------------------------------------|-------------------------------------|---|--|-------------------------|
| 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. | | Amount spent for the project (in ₹) | Mode of Implementation Direct (Yes/ No) | Mode of Implementation Through Implementing Agency | |
| | | | | State | District | | | Name | CSR Registration number |
| 1. | Laparoscopy Unit for Urology (3 Chip Full HD System) | Promoting Health | Yes | Gujarat | Goraj, Tal. Waghodia, Dist. Vadodara | 16,51,000 | No | Muni Seva Ashram, Goraj, Tal. Waghodia, Dist. Vadodara | CSR00004688 |
| 2. | Promoting Education and medical | Education and Promoting Health | No | Gujarat | Deesa, Dist. Banaskantha | 40,00,000 | No | Bhansali Trust, Mumbai | CSR00000609 |
| 3. | Sneh Sanskar Gurukul - educational initiatives-operations for underprivileged | Education | No | Maharashtra | Jambrung, Karjat | 10,00,000 | No | Kalki Tejomaya Social Welfare Trust, Mumbai | CSR00003486 |
| 4. | Senior citizen Cataract surgery | Promoting Health | No | Gujarat | Bhavnagar | 4,14,300 | No | P. N. R. SOCIETY, Bhavnagar | CSR00001320 |
| TOTAL | | | | | | 70,65,300 | | | |

(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) : 70,65,300

(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) | 70,65,218 |
| (ii) | Total amount spent for the Financial Year | 70,65,300 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 82 |
| (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) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---------|------------|---------------------|---|------------------|---|--|---|--|
| Sr. No. | Project ID | Name of The Project | Financial Year in which the project was Commenced | Project duration | Total amount allocated for the project (in ₹) | Amount spent on the project in the reporting Financial Year (in ₹) | Cumulative amount spent at the end of reporting Financial Year (in ₹) | 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).

- Date of creation or acquisition of the capital asset(s). – October 25, 2024
- Amount of CSR spent for creation or acquisition of capital asset. - ₹ 16,51,000
- 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
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). – Laparoscopy Unit for Urology (3 Chip Full HD System) 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.

Date : May 29, 2025
Place : Mumbai

Amit Mehta
Executive Chairman
Chairman of CSR Committee
DIN: 00073907

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 31.03.2025 | 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 |

During FY 2024-25, the Company has an outstanding Loan to the Wholly Owned Subsidiary Company ₹ 567.51 Lakhs at the interest rate of 11.65% p.a. for Dahej site related activities/other statutory requirements and the Company has outstanding Loan to the Associate/Joint Venture Company ₹ 256.41 Lakhs at the interest rate of 8% p.a. 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 & 13 of Standalone).

For Diamines and Chemicals Limited

Amit Mehta
Executive Chairman
DIN: 00073907

Date : May 29, 2025
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 : 20.97 times Mr. Tanmay Godiawala : 10.32 times |
| II | The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year | Mr. Amit Mehta (CEO/EC) : (50.16)% Mr. Tanmay Godiawala : Appointed as Director w.e.f. February 06, 2024 Mr. Dipen Ruparelia (CFO) : 16.74% Ms. Hemaxi Pawar (CS) : 12.58% |
| III | The percentage increase in the median remuneration of the employees in the financial year. | The median remuneration of the employees in FY 2024-25 was increased by 11% |
| IV | The number of permanent employees on the rolls of the Company | 133 as on March 31, 2025 |
| 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 increases in the remuneration of employees compared to the 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 |

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 2024-25.

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, 2025

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, 2025 (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, 2025 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;
 - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

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.



Diamines And Chemicals Limited

CIN NO:L24110GJ1976PLC002905

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:F005467G000496606

Sandip Sheth

Partner

FCS: 5467

CP No.: 4354

Firm Peer Review Regn. No:- 1427/2021

Place : Ahmedabad

Date : May 29, 2025

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:F005467G000496606

Sandip Sheth

Partner

FCS: 5467

CP No.: 4354

Firm Peer Review Regn No:- 1427/2021

Place : Ahmedabad

Date : May 29, 2025



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, 2025. 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, 2025 and relied on the online information available with Ministry of Corporate Affairs Portal, its filling 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, 2025, 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 | Ms. Kejal Vipinchandra Pandya | 07048046 | 27/04/2018 |
| 6 | Mr. Priyam Shantilal Zaveri | 00045038 | 09/08/2024 |

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, 2025.

Sandip Sheth & Associates

Company Secretaries

Firm Unique Code: P2001GJ041000

UDIN:F005467G000496771

Sandip Sheth

Partner

FCS: 5467

CP No.: 4354

Firm Peer Review Regn No:- 1427/2021

Place : Ahmedabad

Date : May 29, 2025

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 to build the confidence in the Company's integrity.

BOARD OF DIRECTORS AND ITS COMPOSITION:

As on March 31, 2025, 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" or "SEBI Listing Regulations"). 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, reappointed w.e.f. April 01, 2023 and further being reappointed w.e.f April 01, 2026. Additionally, the Board was reconstituted w.e.f. August 09, 2024 as Dr. Ambrish Dalal has ceased to be the Non-Executive Independent Director on completion of his 2nd term as Independent Director with effect from August 12, 2024 and Mr. Priyam Jhaveri was appointed as a Non-Executive Independent Director for a term of 5 years from August 09, 2024.

Details of the Composition of the Board of Directors as on March 31, 2025, are as under:

| Sr. No. | Name | Designation |
|----------------|----------------------|--|
| 1. | Mr. Amit Mehta | Executive Chairman |
| 2. | Mr. Tanmay Godiawala | Director |
| 3. | Mr. Rajendra Chhabra | Non-Executive Non Independent Director |
| 4. | Mr. Priyam Jhaveri* | Non-Executive Independent Director |
| 5. | Mr. Dhruv Mehta | Non-Executive Independent Director |
| 6. | Mrs. Kejal Pandya | Non-Executive Independent Director |

* Mr. Priyam Jhaveri was appointed as an Independent Director in the Category of Non-Executive Director w.e.f August 09, 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 Six (6) 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 Thursday, February 06, 2025 without the attendance of non-independent Directors and members of management, inter alia to:

- Review the performance of the non-independent Directors and the Board as a whole;
- 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;
- 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. Rajendra Chhabra, Non-Executive, Professional Director 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, Six (6) Board Meetings were held respectively on May 22, 2024 and Adjourned at May 24, 2024, July 09, 2024, August 09, 2024, October 01, 2024, October 24, 2024, and February 06, 2025. 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 01/08/2024 |
|----------------|-----------------------------|------------|---------------------------------|---------------------------------------|---|
| 1 | Mr. Amit M. Mehta | 00073907 | Chairman-ED/PD | 6/6 | Yes |
| 2 | Mr. Tanmay Godiawala | 07084668 | ED | 6/6 | Yes |
| 3. | Mr. Rajendra Chhabra | 00093384 | NED | 6/6 | Yes |
| 4. | Mr. Dhruv Mehta | 02083226 | NED-I | 6/6 | Yes |
| 5. | Dr. Ambrish Dalal* | 02546506 | NED-I | 3/6 | Yes |
| 6. | Mr. Priyam Jhaveri** | 00045038 | NED-I | 3/6 | NA |
| 7. | Mrs. Kejal Pandya | 07048046 | NED-I | 6/6 | Yes |

ED-Executive Director

NED-Non-Executive Director

NED-I-Non-Executive & Independent Director

PD-Promoter Director

*Dr. Ambrish Dalal has ceased as a Director in the Category of Non-Executive, Independent Director on expiry of his 2nd term as Independent Director w.e.f August 12, 2024.

**Mr. Priyam Jhaveri was appointed as a Director in the Category of Non-Executive, Independent Director w.e.f August 09, 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 31.03.2025:

| 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 | 01 | - | - |
| Mr. Rajendra Chhabra | 01 | 01 | 01 |
| Mr. Priyam Jhaveri | 01 | 01 | 01 |
| 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, 2025 is as stated below:

| Name | Designation | Category |
|----------------------|-------------|--|
| Mr. Dhruv Mehta | Chairman | Non-Executive & Independent Director |
| Mr. Rajendra Chhabra | Member | Non-Executive & Non Independent Director |
| Mr. Priyam Jhaveri* | Member | Non-Executive & Independent Director |
| Mrs. Kejal Pandya | Member | Non-Executive & Independent Director |

*Mr. Priyam Jhaveri was appointed as a Director in the Category of Non-Executive, Independent Director w.e.f August 09, 2024.

Dr. Ambrish Dalal has ceased as a Director in the Category of Non-Executive, Independent Director on expiry of his 2nd term as Independent Director w.e.f August 12, 2024.

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: | | | | |
|----------------------|---|------------|------------|------------|------------|
| | 21.05.2024 | 08.07.2024 | 08.08.2024 | 23.10.2024 | 05.02.2025 |
| Mr. Dhruv Mehta | Yes | Yes | Yes | Yes | Yes |
| Mr. Rajendra Chhabra | Yes | Yes | Yes | Yes | Yes |
| Dr. Ambrish Dalal* | Yes | Yes | Yes | - | - |
| Mr. Priyam Jhaveri** | - | - | - | Yes | Yes |
| Mrs. Kejal Pandya | Yes | Yes | Yes | Yes | |

*Mr. Priyam Jhaveri was appointed as a Director in the Category of Non-Executive, Independent Director w.e.f August 09, 2024.

**Dr. Ambrish Dalal has ceased as a Director in the Category of Non-Executive, Independent Director on expiry of his 2nd term as Independent Director w.e.f August 12, 2024.

The Minutes of Audit Committee Meetings are noted by the Board of Directors at the Board Meetings. The Chairman of the Audit Committee was present at the 48th Annual General Meeting held on August 01, 2024.

Stakeholders Relationship Committee of Directors:

As on March 31, 2025, 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. The Committee was reconstituted w.e.f. August 09, 2024 in the F.Y 2024-25. During the year under review, the Committee met as and when required on May 21, 2024, August 06, 2024, October 23, 2024 and February 06, 2025.

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 | 12 | 12 |
| Miscellaneous | Nil | Nil |
| Total | 12 | 12 |

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 |
| Mr. Priyam Jhaveri* | Non-Executive & Independent Director |
| Mrs. Kejal Pandya | Non-Executive & Independent Director |

*Mr. Priyam Jhaveri was appointed as a Director in the Category of Non-Executive, Independent Director w.e.f August 09, 2024.

Dr. Ambrish Dalal has ceased as a Director in the Category of Non-Executive, Independent Director on expiry of his 2nd term as Independent Director w.e.f August 12, 2024.

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 Mr. Priyam Jhaveri, Chairman, Mr. Rajendra Chhabra and Mr. Dhruv Mehta, whose function is to approve remuneration policy of Directors. The Committee was reconstituted w.e.f. August 09, 2024 in the F.Y 2024-25. The nomination and remuneration committee meetings were held on May 21, 2024 and August 06, 2024, All the members attended the meetings held during the FY 2024-25.

The link of Nomination and Remuneration policy is <chrome-extension://efaidnbmnnnibpcajpcgclefindmkaj/https://dacl.co.in/wp-content/uploads/2024/06/policy8.pdf>

Details of remuneration paid to the Executive Director(s) for the financial year 2024 – 2025.

(₹ In Lakhs)

| Name of Director | Designation | Salary & Allowance | Perquisite | Commission | Total |
|----------------------|--------------------|--------------------|------------|------------|-------|
| Mr. Amit Mehta | Executive Chairman | 21.89 | 20.12 | 22.19 | 66.31 |
| Mr. Tanmay Godiawala | Director | 32.64 | 0 | 0 | 32.64 |

Commission is payable for the Financial Year 2024-25.

REMUNERATION PAID/PAYABLE TO NON-EXECUTIVE DIRECTORS:

The remuneration paid to non-executive Directors for the year from 01.04.2024 to 31.03.2025 is as under:

(₹ in lakhs)

| Name | Remuneration | Sitting Fee | Commission | Total |
|----------------------|--------------|-------------|------------|-------|
| Mr. Rajendra Chhabra | 12.00 | 3.84 | 0.92 | 16.76 |
| Dr. Ambrish Dalal* | Nil | 1.92 | 0 | 1.92 |
| Mr. Priyam Jhaveri** | Nil | 1.32 | 0.37 | 1.69 |
| Mr. Dhruv Mehta | Nil | 3.20 | 0.37 | 3.57 |
| Mrs. Kejal Pandya | Nil | 3.44 | 0.37 | 3.81 |

*Mr. Priyam Jhaveri was appointed as a Director in the Category of Non-Executive, Independent Director w.e.f August 09, 2024.

Dr. Ambrish Dalal has ceased as a Director in the Category of Non-Executive, Independent Director on expiry of his 2nd term as Independent Director w.e.f August 12, 2024.

- Commission is payable for the Financial Year 2024-25.
- Remuneration includes professional fees (Gross). The Company has stock option scheme but not applicable to non-executive Directors during the year.
- The Company has allotted Warrants on October 01, 2024, each convertible into, or exchangeable for 1 (one) fully paid-up equity share of the Company of face value of ₹ 10/- each at a price of ₹ 552/- including premium of ₹ 542/- each payable in cash on preferential allotment basis to the Promoter/ Promoter Group of the Company and certain identified non - promoter persons / entities by way of preferential allotment. Non-Executive Directors are not applied for any convertible warrants.

No. of shares held by the Non – Executive Directors of the Company as on 31.03.2025:

| Sr.No. | Name | No. of Equity Shares Held |
|--------|----------------------|---------------------------|
| 1. | Mr. Rajendra Chhabra | 18,600 |
| 2. | Mr. Priyam Jhaveri* | 20,000 |
| 3. | Mr. Dhruv Mehta | 45,000 |
| 4. | Mrs. Kejal Pandya | 0 |

*Mr. Priyam Jhaveri was appointed as a Director in the Category of Non-Executive, Independent Director w.e.f August 09, 2024.

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 2024-2025 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. Tanmay Godiawala | Member | Director | 3 | 3 |
| Mr. Rajendra Chhabra | Member | Non-Executive Director | 3 | 3 |
| Mrs. Kejal Pandya | Member | Non-Executive Independent Director | 3 | 3 |

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. There was no re-constitution of Committee during the year.

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 <chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://dacl.co.in/wp-content/uploads/2024/06/policy4.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 May 11, 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. Tanmay Godiawala | Director, Member |

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

During FY 2024-25, there were 2 meeting held on June 04, 2024, and February 06, 2025.

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 41 to the standalone 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.40 to the standalone financial statements.

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 29, 2025 to approve the Audited Annual Accounts for the year ended March 31, 2025.

Disclosure of certain types of agreements binding listed entities: There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

Particulars of Senior Management Personnel and changes since the close of the previous financial year:

| Name of Senior Management Personnel | Designation | Changes, if any, during the year 2024-25 (Yes/No) | Nature of change and Effective date |
|-------------------------------------|----------------------------|---|--|
| Amit Mehta | Executive Chairman | No | - |
| Tanmay Godiawala | Director | No | - |
| Venkatesan Arumugam | VP- Manufacturing | Yes | Appointment Effective from July 01, 2024 |
| Dipen Ruparelia | Chief Financial Officer | No | - |
| Brijal Surti | Factory Manager | No | - |
| Piyush Upadhyay | General Manager – R&D | Yes | Appointment Effective from July 26, 2024 |
| Harmanpreet Singh | General Manager - Projects | No | - |

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 except one from under Gujarat Prohibition Act. 1949 as below:

The Company has to submit details of the change in director to the Prohibition department as per Gujarat Prohibition Act. 1949 within 30 days from the change. The Company has submitted details after the due date. In this regard, the Company has received a penalty letter ₹ 15000/- against delay in providing information of change in Directors under Gujarat Prohibition Act, 1949.

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 Policy was reviewed and amended on February 06, 2025. The detail of establishment of such updated policy is disclosed on the company's website at [chrome-extension://efaidnbmnnnibpcajpcgclefindmkaj/https://dacl.co.in/wp-content/uploads/2024/06/policy7.pdf](https://efaidnbmnnnibpcajpcgclefindmkaj/https://dacl.co.in/wp-content/uploads/2024/06/policy7.pdf)

MEANS OF COMMUNICATION:

The Company has around Fourteen Thousand (14,000) 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.

The 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 | August 29, 2025 to September 04, 2025 (both days inclusive) |
| 2. Date, Time and Venue of the 49 th Annual General Meeting | September 04, 2025 at 11.30 A.M. at the Registered office of the Company |
| 3. Listing on Stock Exchange | BSE Limited (BSE) 25 th Floor, P. J. Towers, Dalal Street, Mumbai 400 001. Tel: 022 – 2272 1233 / 34. Fax: 022 –2272 1919. (Scrip code: 500120) National Stock Exchange of India Limited (NSE) 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 Exchanges for the Financial Year 2024 – 2025. |
| 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 MUFG Intime India Private Limited (From 31.12.2024) (Formerly known as Link Intime India Private Limited) "Geetakunj" 1 Bhakti Nagar Society,Behind ABS Tower, old Padra Road, Vadodara - 390 015 Gujarat, India. Tel. No.: 0265 3566768 E-mail : vadodara@in.mpms.mufg.com |

| | |
|---|--|
| 7. International Securities Identification Number (ISIN) | INE 591D01014 - Equity Shares INE 591D13019 -Convertible Warrants |
| 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 | 48 th AGM – August 01, 2024 at 11.00 a.m held at the Registered office of the Company 47 th AGM – June 21, 2023 at 01.00 noon held at the Registered office of the Company 46 th AGM –June 28, 2022 at 12.00 noon held at the Registered office of the Company Postal Ballot 01/2024-25 - During the year, postal ballot notice for passing special resolution for 1. Appointment of Mr. Priyam Jhaveri as a Non-Executive, Independent Director. |
| 10. Special Resolutions passed | 48 th AGM- 4 Special Resolutions were passed 47 th AGM – 3 Special Resolutions were passed 46 th AGM – 2 Special Resolutions were passed Postal ballot- 1 Special Resolution was proposed during the year and passed by way of Postal ballot on September 17, 2024 and scrutinizer's report on e-voting was given by M/s Sandip Sheth and Associates on September 18, 2024. |
| 11. Closing Price of the Company's Shares on March 31, 2025. Bombay Stock Exchange Ltd. (BSE) National Stock Exchange (NSE) | ₹ 313.50/- ₹ 314.60/- |
| 12. Financial Year | 1 st April to 31 st March each year. |
| 13. Dividend declared for current and earlier years | 2024-25 - 10% 2023-24 - 25% 2022-23 - 30% (Final) 2022-23 - 30% (Interim) 2021-22 - 30% 2020-21 - 50% 2019-20 - 40% (Final) 2019-20 - 40% (Interim) 2018-19 - 20% (Final) 2018-19 - 30% (Interim) 2017-18 - 25% |
| 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. |

DISTRIBUTION OF SHAREHOLDING: (as on March 31, 2025)

| Shareholding of nominal value ₹ | Shareholders | | Share Amount | |
|------------------------------------|--------------|---------------|-----------------|---------------|
| | Number | % of total | ₹ | % of total |
| (1) | (2) | (3) | (4) | (5) |
| Upto - 500 | 13217 | 93.31 | 10369410 | 10.60 |
| 501 - 1,000 | 462 | 3.26 | 3570330 | 3.65 |
| 1,001 - 2,000 | 214 | 1.51 | 3158950 | 3.23 |
| 2,001 - 3,000 | 94 | 0.66 | 2407000 | 2.46 |
| 3,001 - 4,000 | 36 | 0.26 | 1284670 | 1.31 |
| 4,001 - 5000 | 29 | 0.21 | 1314410 | 1.34 |
| 5,001 - 10,000 | 36 | 0.25 | 2612840 | 2.67 |
| Above 10,000 | 77 | 0.54 | 73122290 | 74.74 |
| TOTAL | 14165 | 100.00 | 97839900 | 100.00 |

SHAREHOLDING PATTERN: (as on March 31, 2025)

| Sr. No. | Category | No. of Shares Held | % of total Shares |
|---------|---|--------------------|-------------------|
| 1 | Promoters & Persons acting in concert | 53,98,391 | 55.18 |
| 2 | Mutual Funds/Banks & FI's/ Insurance Co. | 3,537 | 0.04 |
| 3 | Foreign Portfolio Investors Category I | 1,800 | 0.02 |
| | Foreign Portfolio Investors Category II | 1 | 0.00 |
| 4 | Central Govt/State Govt/POI | - | - |
| 5 | Other Corporate Bodies | 1,08,592 | 1.11 |
| 6 | Public | 37,64,600 | 38.48 |
| 7 | NRI's | 70,754 | 0.72 |
| 8 | Directors and their relatives (excluding Independent Directors and nominee Directors) | 46,540 | 0.48 |
| 9 | Key Managerial Personnel | 11 | 0.00 |
| 10 | Investor Education and Protection Fund (IEPF) | 1,73,299 | 1.77 |
| 11 | Any Other (LLP, HUF, Unclaimed shares, Clearing Members, Other Directors / Relatives) | 2,16,465 | 2.21 |
| | TOTAL | 9783990 | 100.00 |

DEMATERIALISATION OF SHARES: (as on March 31, 2025)

| Particulars | No. of Equity Shares | % to Share Capital |
|--------------|----------------------|--------------------|
| NSDL | 75,83,301 | 77.51 |
| CDSL | 20,22,932 | 20.67 |
| Physical | 1,77,757 | 1.82 |
| TOTAL | 97,83,990 | 100.00 |

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 received In-principle approval from Stock Exchanges on September 19, 2024 to allot 9,16,390 (Nine Lakh Sixteen Thousand Three Hundred Ninety) warrants ("Warrants"), each convertible into, or exchangeable for 1 (one) fully paid-up equity share of the Company of face value of ₹ 10/- each at a price of ₹ 552/- (Rupees Five Hundred Fifty-Two only) each (including the Warrants subscription price and Warrant exercise price) including premium of ₹ 542/- (Rupees Five Hundred Forty-Two only) each payable in cash aggregating upto ₹ 50,58,47,280/- (Rupees Fifty Crores Fifty-Eight Lakh Forty-Seven Thousand Two Hundred Eighty only) on preferential allotment basis to the Promoter/ Promoter Group of the Company and certain identified non - promoter persons / entities by way of preferential allotment. The Company has allotted 9,06,390 Warrants on October 01, 2024, on receipt of 25% subscription money from proposed Allottees.

The Warrants may be exercised into equity shares in one or more tranches by the Proposed Allottees at any time before the expiry of 18 months from the date of allotment of the Warrants (October 01, 2024). After conversion, Equity of the Company will be raised by 906390 Equity Shares.

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

| Director Name | Details as on March 31, 2025 (Excluding Diamines and Chemicals Limited) | |
|----------------------|--|---|
| | Name of listed entities where the person is a director | Category of Directorship |
| Mr. Amit Mehta | - | - |
| Mr. Tanmay Godiawala | - | - |
| Mr. Rajendra Chhabra | - | - |
| Mr. Priyam Jhaveri | Sadhana Nitrochem Limited | Non-Executive- Non Independent Director |
| 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, 2025)

| Name of Director | skills/expertise/competencies |
|-------------------------|---|
| Mr. Amit Mehta | Global Business, Leadership, Sales and Marketing |
| Mr. Tanmay Godiawala | Board Service and Governance, Sales and Marketing |
| Mr. Rajendra Chhabra | Financial, Board Service and Governance |
| Mr. Priyam Jhaveri | Global Business, Leadership, 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). – The Company has allotted 9,06,390 Warrants on October 01, 2024, on receipt of ₹ 12,50,81,820/- i.e. 25% subscription money of total issue. The company has not yet utilized such Fund.

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 <chrome-extension://efaidnbmnnnibpcajpcgclefindmkaj/https://dacl.co.in/wp-content/uploads/2024/06/policy6.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 29, 2025
Place : Mumbai

Amit Mehta
Executive Chairman
DIN: 00073907



Diamines And Chemicals Limited

CIN NO:L24110GJ1976PLC002905

CIN: - L24110GJ1976PLC002905

Nominal Capital: - 1,75,500,000/-

Paid-up Capital: - 97,839,900/-

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

**To,
The Members,
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, 2025. 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:F005467G000496727

Sandip Sheth

Partner

FCS: 5467

CP No.: 4354

Firm Peer Review Regn No:- 1427/2021

Place : Ahmedabad

Date : May 29, 2025

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 | |
|---|-------------------------------|------------|
| Financial Year/Period | 2024-25 | 2023-24 |
| 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 | 857.49 | 1018.54 |
| Liabilities | 666.27 | 528.52 |
| Total Liabilities | 666.27 | 528.52 |
| Total Assets | 1,543.76 | 1567.05 |
| Investments | - | - |
| Turnover | 14.28 | 5.13 |
| Profit/(Loss) Before Taxation | (161.04) | (195.45) |
| Provision for Taxation | - | - |
| Profit/(Loss) After Taxation | (161.04) | (195.45) |
| Proposed Dividend | - | - |
| % of shareholding | 100% | 100% |

Note:

1. The above-mentioned Wholly Owned subsidiary commenced its commercial production during the previous year 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, 2025 | |
| 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 (Please see note) |
| 6. | Profit/Loss for the year (₹ in lakhs) | | |
| | i. Considered in Consolidation | 273.06 | 1547.05 |
| | 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 29, 2025
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:**
Transactions are on an arm's length basis and not material

(₹ 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) | Additional Loan to Wholly Owned Subsidiary | Long term | As per Mutually Agreed terms | 567.51 | 08/05/2023 & 24/10/2024 |
| 2 | KLJ Organic Diamines Limited (Associate/ Joint Venture Company) | Loan to Associate/ Joint Venture Company | Long term | As per Mutually Agreed terms | 256.41 | 29/10/2021 |

Details of transactions with Related party, in which directors are interested, are also given in Note 41 in Standalone Financial Statement and Note no.40 in Consolidated Financial Statement.

For and on behalf of the Board of Directors

Amit Mehta

Executive Chairman

DIN: 00073907

Date : May 29, 2025

Place : Mumbai



Diamines And Chemicals Limited
CIN NO:L24110GJ1976PLC002905

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

This is to confirm that the 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, 2025, 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, 2025.

For Diamines and Chemicals Limited

Sd/-

Amit Mehta

Executive Chairman

DIN: 00073907

Place : Mumbai

Date : May 29, 2025

INDEPENDENT AUDITORS' 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, 2025, 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 Fairview 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, ('IndAS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cashflows 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 on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 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</p> <p>(Refer to note 37(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 procedures 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 Fairview and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors 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 and Board of Directors 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, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, 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 37(A) to the standalone financial statements;
 - ii. the Company did not have any long term contracts including derivative contracts as at March 31, 2025 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 16 (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 and audit trail has been preserved by the Company as per the statutory requirements for record retention.

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

Chhaya M Dave
Partner
Membership No. 100434
UDIN: 25100434BMLKFZ5536

Place : Vadodara
Date : May 29, 2025

“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, 2025, 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 at reasonable interval. 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 based on our examination of the registered deeds provided to us, the title deeds of the immovable properties disclosed in the financial statements are held in the name of the Company. In respect of immovable properties, i.e., land taken on lease and disclosed under Property, Plant and Equipment, the lease agreements are duly executed in favour of the Company, where the Company is the lessee.
- (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, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) In According to the information and explanations given to us, inventories, except for goods-in-transit, have been physically verified by the management at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification are appropriate. As explained to us and as per procedures performed by us, no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification as compared to the book records.
- (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) 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 | ₹ 151.72 Lakhs |
| - Associate | NIL |
| Balance outstanding as at balance sheet date in respect of above cases:- | |
| - Subsidiary | ₹ 567.51 Lakhs |
| - Associate | ₹ 256.41 Lakhs |

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

- (b) In our opinion, according to the information and explanations given to us and audit procedure performed by 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 the Company has not demanded the repayment of principal, therefore we are unable to comment upon the regularity of repayment of principal and payment of interest.
 - (d) Since there is no stipulation for payment of principal and interest amount of loan, reporting for overdue amount for more than ninety days under clause (3)(iii)(d) and (e) of the Order is not applicable.
 - (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
 - (f) 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 ₹ 823.92 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) According to the information and explanations given to us and on the basis of our examination of the records, the Company has generally 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, 2025 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 based on our examination of the records of the Company and the procedures performed by us, there are no disputed statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes except the following:

| Name of the statute (Nature of disputed dues) | Period to which the amount relates | Forum where pending | Amount (₹ in lakhs) | Amount paid Under Protest (₹ in lakhs) |
|--|--|--|------------------------|--|
| Income Tax Act,1961 | A.Y. 2017-18 | Commissioner of Income Tax (Appeal) | 48.43 | 48.43 |
| Income Tax Act,1961 | A.Y. 2020-21 | Assessing Officer (AO) Rectification | 33.54 | 33.54 |
| Income Tax Act,1961 | A.Y. 2007-08 | Commissioner of Income Tax (Appeal) | 10.32 | 10.32 |
| Finance Act,1994 (Service tax/ Excise) | F.Y. 2006-07 to 2001-10 | Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Ahmedabad. | 1.63 | NIL |
| Finance Act,1994 (Service tax/ Excise) | F.Y. 2015-16 and 2016-17 | Superintendent - Central Excise, Customs and Service Tax, Vadodara-I | 3.71 | NIL |
| Provident Fund | F.Y. 1990-2002 | PF Appellate Tribunal, Ahemdabad | 29.50 | NIL |
| Goods and Services Tax Act,2017 | F.Y. 2017-18 to 2020-21 | Goods and Service Tax Officer | 97.77 | 5.25 |

- viii. According to the information and explanations given to us and on the basis of examination of the records of the Company, there were no transactions relating to previously unrecorded income which requires to be record in books of accounts as surrendered or disclosed as income during the year in the tax assessment 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) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e) According to the information and explanations given to us and on 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) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiary and associate company, 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) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made preferential allotment of warrants (pending conversion into equity shares) in accordance with the provisions of Section 62(1)(c) read with Section 42 of the Companies Act, 2013. The Company has complied with the prescribed requirements in this regard. The amount received on account of the first call against the share warrants has been maintained as a deposit under separate bank account as mandated under Section 42(6) of the Companies Act, 2013 and Rule 2(c) of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- xi. (a) To the best of our knowledge and according to information and explanations given to us, no fraud by the company or no material fraud 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 and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- 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, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 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 Reporting under this clause of the Order is not applicable at standalone level.

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

Chhaya M Dave
Partner
Membership No. 100434
UDIN: 25100434BMLKFZ5536

Place : Vadodara
Date : May 29, 2025

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, 2025, 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 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 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2025, 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
Chhaya M Dave
Partner
Membership No. 100434
UDIN: 25100434BMLKFZ5536
Place : Vadodara
Date : May 29, 2025

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2025

(₹ in Lakhs)

| Particulars | Note No. | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|----------|---------------------------------------|---------------------------------------|
| (I) ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Property, Plant and Equipment and Intangible Assets | | | |
| (i) Property, Plant and Equipment | 4A | 4,904.52 | 5,029.79 |
| (ii) Intangible assets | 4B | 6.00 | 8.63 |
| (b) Capital work-in-progress | 4C | 226.07 | 82.95 |
| (c) Financial Assets | | | |
| (i) Investments | | | |
| (A) Investment in Subsidiary | 5A | 1,345.24 | 1,345.24 |
| (B) Investment in Associate | 5B | 175.00 | 175.00 |
| (C) Other Investments | 5C | 1,495.65 | 1,443.16 |
| (ii) Loans | 6 | 299.72 | 279.87 |
| (iii) Others | 7 | 4.30 | 4.24 |
| (d) Other non-current assets | 8 | 313.95 | 267.08 |
| Total Non-Current Assets | | 8,770.45 | 8,635.96 |
| (2) Current Assets | | | |
| (a) Inventories | 9 | 3,162.00 | 1,730.83 |
| (b) Financial Assets | | | |
| (i) Trade receivables | 10 | 1,377.48 | 1,670.38 |
| (ii) Cash and cash equivalents | 11 | 2,187.61 | 252.92 |
| (iii) Bank balance other than cash & cash equivalents | 12 | 1,947.24 | 3,535.66 |
| (iv) Loans | 13 | 567.51 | 424.04 |
| (c) Current Tax Assets (Net) | 14 | 108.25 | 152.57 |
| (d) Other current assets | 15 | 121.44 | 115.96 |
| Total Current Assets | | 9,471.53 | 7,882.35 |
| TOTAL ASSETS | | 18,241.98 | 16,518.32 |
| (II) EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share capital | 16 | 978.40 | 978.40 |
| (b) Other Equity | 17 | 15,589.45 | 14,099.24 |
| Total Equity | | 16,567.85 | 15,077.64 |
| Liabilities | | | |
| (1) Non-Current Liabilities | | | |
| (a) Provisions | 18 | 24.44 | 25.48 |
| (b) Deferred Tax Liabilities (Net) | 19 | 439.91 | 401.34 |
| Total Non-Current Liabilities | | 464.35 | 426.83 |
| (2) Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 20 | 2.51 | - |
| (ii) Trade payables | | | |
| (A) due to micro enterprises and small enterprises | 21 | 14.07 | 25.84 |
| (B) due to other than micro enterprises and small enterprises | | 859.14 | 489.16 |
| (ii) Other financial liabilities | 22 | 219.45 | 329.13 |
| (b) Other current liabilities | 23 | 99.18 | 148.28 |
| (c) Provisions | 24 | 15.43 | 21.44 |
| Total Current Liabilities | | 1,209.78 | 1,013.85 |
| Total Liabilities | | 1,674.13 | 1,440.68 |
| TOTAL EQUITY AND LIABILITIES | | 18,241.98 | 16,518.32 |

**Material Accounting Policies and
Notes to the Standalone Financial Statements**

1-55

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829
Chhaya Dave
Partner
Membership No. 100434
Place : Vadodara
Date : 29th May, 2025

For and on behalf of the Board
Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 29th May, 2025
Tanmay Godiawala
Director
DIN: 07084668
Place : Mumbai
Hemaxi Pawar
Company Secretary



Diamines And Chemicals Limited

CIN NO:L24110GJ1976PLC002905

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in Lakhs)

| Particulars | Note No. | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
|--|-----------|---|---|
| I Revenue from Operations | 25 | 7,139.29 | 10,403.51 |
| II Other Income | 26 | 375.28 | 272.54 |
| III Total income (I+II) | | 7,514.57 | 10,676.05 |
| IV EXPENSES | | | |
| Cost of materials consumed | 27 | 3,279.54 | 3,701.66 |
| Purchase of stock in trade | 28 | 186.05 | 1,313.02 |
| Changes in inventories of Finished Goods and Work-In-Progress | 29 | 138.26 | (177.76) |
| Employee benefits expense | 30 | 976.01 | 1,164.10 |
| Finance costs | 31 | 33.86 | 19.42 |
| Depreciation and Amortisation expense | 32 | 316.72 | 265.83 |
| Other expenses | 33 | 1,952.89 | 1,982.32 |
| Total expenses (IV) | | 6,883.33 | 8,268.59 |
| V Profit before tax (III-IV) | | 631.24 | 2,407.46 |
| VI Tax expense: | | | |
| (a) Current Tax | 35 | 181.87 | 577.03 |
| (b) Tax relating to Earlier Years | 35 | (15.57) | 7.28 |
| (c) Deferred Tax | 35 | 16.21 | 46.02 |
| VII Profit for the year (V-VI) | | 448.73 | 1,777.13 |
| 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 | | (5.42) | (2.08) |
| (ii) Gain/(Loss) on measuring equity instruments at Fair Value carried through Other Comprehensive Income (FVTOCI) | | 52.49 | 112.91 |
| (iii) Income tax on above | | (22.36) | (12.39) |
| B. Items that will be reclassified subsequently to profit or loss : | | - | - |
| IX Total Comprehensive Income for the year (VII+VIII) | | 473.44 | 1,875.56 |
| X Paid-up Equity Share Capital (Face Value of ₹ 10 each)-(not annualised) | | 978.40 | 978.40 |
| XI Earnings per equity share | | | |
| Basic (₹) | | 4.59 | 18.16 |
| Diluted (₹) | 36 | 4.58 | 18.16 |

Material Accounting Policies and

Notes to the Standalone Financial Statements

1-55

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829
Chhaya Dave
Partner
Membership No. 100434
Place : Vadodara
Date : 29th May, 2025

For and on behalf of the Board

Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 29th May, 2025

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

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in Lakhs)

| Particulars | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit/(Loss) before tax | 631.24 | 2,407.46 |
| Adjustments for: | | |
| Depreciation / Amortisation of Property, Plant and Equipment and Intangible Assets | 316.72 | 265.83 |
| Employee Stock Option Expense | 10.55 | - |
| Impairment of Property, Plant & Equipment | - | 82.37 |
| Write off of Property, Plant & Equipment | - | 15.27 |
| Interest on Income Tax | (8.89) | - |
| Dividend Income | (16.46) | (23.12) |
| Interest Income | (335.01) | (232.34) |
| Finance Costs | 33.86 | 19.42 |
| (Profit)/Loss on sale of Property, Plant and Equipment | 2.61 | (8.59) |
| Unrealised Loss/(Gain) on Foreign Exchange | (0.45) | 10.72 |
| Provision for Doubtful Receivables | 207.52 | - |
| Provision/Advances/Sundry Balances written off/ (back) | (2.40) | (1.58) |
| Other adjustments for non-cash items | - | 6.13 |
| Operating Profit/(Loss) before changes in working capital | 839.29 | 2,541.56 |
| Adjustment for (Increase)/Decrease in Operating Assets | | |
| Trade Receivables | 85.38 | 618.75 |
| Inventories | (1,431.17) | (47.36) |
| Financial Assets and Other Assets | (157.20) | (394.04) |
| Long-term Loans and Advances and Other Non-current Assets | (9.53) | 193.68 |
| Adjustment for Increase/(Decrease) in Operating Liabilities | | |
| Trade Payables | 361.05 | (251.51) |
| Other Financial Liabilities | (109.68) | (37.95) |
| Other Liabilities and provisions | (61.57) | 6.80 |
| Cash flow from operations after changes in working capital | (483.42) | 2,629.93 |
| Net Direct Taxes (Paid)/Refunded | (91.44) | (656.45) |
| Net Cash Flow (used in)/from Operating Activities (A) | (574.86) | 1,973.48 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Interest Received | 287.90 | 232.34 |
| Dividend Received | 16.46 | 23.12 |
| Purchase of Equity Instruments | - | (174.65) |
| Purchase of Property, Plant and Equipment, Intangible assets including CWIP, Low Value assets and Capital Advance | (401.33) | (659.65) |
| Sale of Property, Plant and Equipment | 6.50 | 11.20 |
| Grant Received for Electronic Vehicle | 1.50 | - |
| Bank Balances not considered as Cash and Cash Equivalents | 1,623.66 | (1,097.78) |
| Net Cash Flow from/(used in) Investing Activities (B) | 1,534.69 | (1,665.42) |

| (₹ in Lakhs) | | |
|--|---|---|
| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Finance Costs | (33.86) | (19.42) |
| Equity issued to Employees vide ESOP | - | 0.08 |
| Share warrants application money received | 1,250.82 | - |
| Payment of Dividend | (244.60) | (293.50) |
| Increase / (Decrease) in Current Borrowings | 2.51 | - |
| Net Cash Flow from/(used in) Financing Activities (C) | 974.87 | (312.84) |
| Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C) | 1,934.69 | (4.77) |
| Cash & Cash Equivalents at beginning of period (see Note 1) | 252.92 | 257.69 |
| Cash and Cash Equivalents at end of period (see Note 1) | 2,187.61 | 252.92 |
| Notes: | | |
| 1 Cash and Cash equivalents comprise of: | | |
| Cash on hand | 1.79 | 1.19 |
| Balance with Banks | 2185.82 | 251.73 |
| Cash and Cash equivalents | 2,187.61 | 252.92 |
| 2 Cash Flow from Financial liability | | |
| Opening Balance | - | - |
| Changes from financing cash flow | 2.51 | - |
| Other changes | - | - |
| Closing Balance | 2.51 | - |
| 3 The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Ind AS 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
Chhaya Dave
Partner
Membership No. 100434
Place : Vadodara
Date : 29th May, 2025

For and on behalf of the Board
Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 29th May, 2025

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

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

| A. Equity Share Capital | | (₹ in Lakhs) |
|--|--|---------------------|
| Particulars | | Amount |
| As at 31 st March, 2023 | | 978.32 |
| Additions/(Reductions)* | | 0.08 |
| As at 31 st March, 2024 | | 978.40 |
| Balance as at 1st April, 2024 | | 978.40 |
| Additions/(Reductions) | | - |
| As at 31st March, 2025 | | 978.40 |

*Shares issued on account of exercise of employee stock options

| B. Other Equity | | (₹ in Lakhs) | | | | | |
|--|------------------------|-------------------------|--------------------------|---|------------------------------------|--|--------------|
| Particulars | General Reserve | Security Premium | Retained Earnings | Equity Instruments carried through OCI | Equity Stock Option Reserve | Money Received against Share warrants | Total |
| 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 |
| Transfer from Equity Stock Option Reserve on lapsed options | | | 9.18 | | (9.18) | - | - |
| ESOP expense provision during the year | | | | | 6.51 | - | 6.51 |
| Share Premium on Share option exercised | | 1.99 | | | (1.99) | - | - |
| Remeasurement gain/(loss) on the Defined Benefit Plans carried through OCI, 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 (Interim & 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 |
| Movement during the year: | | | | | | | |
| Profit for the period | | | 448.73 | | | | 448.73 |
| Transfer from Equity Stock Option Reserve on lapsed options | | | | | | | |
| ESOP expense provision during the year | | | | | 10.55 | | 10.55 |
| Remeasurement gain/(loss) on the Defined Benefit Plans carried through OCI, net of income tax | | | (4.06) | | | | (4.06) |
| Net fair value gain/(loss) on investment in equity instrument carried through OCI, net of income tax | | | | 28.77 | | | 28.77 |
| Money Received against Share warrants | | | | | | 1,250.82 | 1,250.82 |
| Gain / (Loss) on sale of Investment | | | | | | - | - |
| Payment of Dividend (Interim & Final) | | | (244.60) | | | | (244.60) |
| Balances as at 31st March, 2025 | 517.12 | 1.99 | 13,277.09 | 529.12 | 13.31 | 1,250.82 | 15,589.45 |

Material Accounting Policies and

Notes to the Standalone Financial Statements

1-55

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829
Chhaya Dave
Partner
Membership No. 100434
Place : Vadodara
Date : 29th May, 2025

For and on behalf of the Board
Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 29th May, 2025
Tanmay Godiawala
Director
DIN: 07084668
Place : Mumbai
Hemaxi Pawar
Company Secretary

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

1. Corporate Information

The Standalone Financial Statements of “Diamines and Chemicals Limited” (“the Company”) are for the year ended 31st March, 2025.

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.

1.2 Recent pronouncements

The Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules, as issued from time to time. During the year ended 31st March 2025, MCA has notified Indian Accounting Standard (Ind AS) 117 – Insurance Contracts. However, since the Company is not engaged in insurance business, Ind AS 117 is not applicable. Accordingly, there are no new standards or amendments to the existing standards applicable to the Company for the year.

1.3 Basis of Preparation of Financial Statements

The Standalone Financial Statements have been prepared and presented 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

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 Rs. 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.

Leasehold improvements are amortized over the period of the lease.

Freehold land is not depreciated.

(ii) Intangible Assets

Intangible assets with finite useful life acquired separately, are recognized 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 derecognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 processed raw material cost based on the 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 recognized 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 recognized 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 recognized 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 recognized in the Standalone Statement of Profit and Loss in the period in which they arise.

(ix) Leases

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 recognized 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 recognized 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 recognized 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 recognized 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 recognized for all taxable temporary differences. Deferred tax assets are generally recognized 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.

The Company offsets tax assets and liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(iii) Current and Deferred Tax Expense for the Year

Current and deferred tax expense is recognized in the Standalone Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized 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. contract with customers and it is being satisfied at a point in time.

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

Research costs are charged to the statement of profit and loss in the year in which they are incurred.

Product development costs incurred on new products are recognised as intangible assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate probable future economic benefits. The costs capitalised include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to the date the asset is available for use. Interest cost incurred is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset. Product development expenditure is measured at cost less accumulated amortisation and impairment, if any.

(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.

(xxi) Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Consolidated Financial Statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

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 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, 2025

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 31 st March, 2023 | 1.54 | 194.78 | 968.54 | 2,226.71 | 204.79 | 140.91 | 207.97 | 29.65 | 105.40 | 12.51 | 55.68 | 27.98 | 3.52 | 7.73 | 4,187.71 |
| Additions | - | - | 65.16 | 2,245.00 | 65.45 | - | 278.31 | 14.24 | 11.60 | 7.45 | 16.98 | - | - | 1.39 | 2,705.59 |
| 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 | 1,033.71 | 4,461.85 | 265.21 | 140.91 | 480.42 | 41.37 | 95.14 | 19.96 | 67.24 | 27.98 | 3.52 | 9.12 | 6,842.74 |
| Additions | - | - | 4.72 | 112.33 | 13.01 | - | 18.86 | 10.47 | 38.64 | - | - | - | - | 0.60 | 198.63 |
| Grant Received from Government | - | - | - | - | - | - | - | - | 1.50 | - | - | - | - | - | 1.50 |
| Deductions/Adjustments | - | - | - | 35.03 | - | - | - | - | - | - | - | - | - | - | 35.03 |
| As at 31 st March, 2025 | 1.54 | 194.78 | 1,038.43 | 4,539.15 | 278.21 | 140.91 | 499.28 | 51.84 | 132.27 | 19.96 | 67.24 | 27.98 | 3.52 | 9.72 | 7,004.84 |
| Accumulated Depreciation | | | | | | | | | | | | | | | |
| As at 31 st March, 2023 | - | 23.12 | 84.07 | 607.29 | 69.52 | 79.85 | 36.19 | 8.97 | 48.71 | 8.75 | 37.80 | 16.41 | 1.09 | 7.35 | 1,029.14 |
| 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 | 1,259.80 |
| Charge for the year | - | 3.36 | 23.63 | 172.87 | 23.18 | 11.41 | 45.99 | 7.81 | 11.30 | 1.99 | 8.85 | 1.98 | 0.33 | 0.57 | 313.29 |
| Deductions/Adjustments | - | - | - | 25.92 | - | - | - | - | - | - | - | - | - | - | 25.92 |
| As at 31 st March, 2025 | - | 29.84 | 130.96 | 892.63 | 107.62 | 102.71 | 107.83 | 24.45 | 48.87 | 12.78 | 54.98 | 23.67 | 1.76 | 9.08 | 1,547.17 |
| Accumulated Impairment | | | | | | | | | | | | | | | |
| 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 | - | - | - | 535.15 | - | - | - | - | - | - | - | - | - | - | 535.15 |
| Charge for the year | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Deductions/Adjustments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| As at 31 st March, 2025 | - | - | - | 535.15 | - | - | - | - | - | - | - | - | - | - | 535.15 |
| Net Block | | | | | | | | | | | | | | | |
| 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 |
| Balance as at 31 st March, 2025 | 1.54 | 164.93 | 907.47 | 3,093.37 | 170.60 | 38.20 | 391.45 | 27.39 | 83.41 | 7.18 | 12.26 | 4.32 | 1.76 | 0.64 | 4,904.52 |

Note :

- 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, 2025

(₹ in Lakhs)

| Particulars | Software & Licenses | Total |
|--|---------------------|--------------|
| 4B. Intangible assets | | |
| Gross Block | | |
| As at 31 st March, 2023 | 5.12 | 5.12 |
| Additions | 10.14 | 10.14 |
| Deductions/Adjustments | - | - |
| As at 31 st March, 2024 | 15.26 | 15.26 |
| Additions | 0.81 | 0.81 |
| Deductions/Adjustments | - | - |
| As at 31st March, 2025 | 16.07 | 16.07 |
| Accumulated Amortisation | | |
| As at 31 st March, 2023 | 4.15 | 4.15 |
| Charge for the year | 2.49 | 2.49 |
| Deductions/Adjustments | - | - |
| As at 31 st March, 2024 | 6.64 | 6.64 |
| Additions | 3.43 | 3.43 |
| Deductions/Adjustments | - | - |
| As at 31st March, 2025 | 10.07 | 10.07 |
| Net Block | | |
| Balance as at 31 st March, 2024 | 8.63 | 8.63 |
| Balance as at 31st March, 2025 | 6.00 | 6.00 |

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, 2025 | As at 31 st March, 2024 |
|---|------------------------------------|------------------------------------|
| 4C. Capital work-in-progress | | |
| Balance as at beginning of the year | 82.95 | 2,139.30 |
| Add: Additions during the year | 341.75 | 659.38 |
| Less: Transfer to Property, Plant and Equipment | 198.63 | 2,715.73 |
| Total | 226.07 | 82.95 |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(₹ 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, 2025

| | | | | | |
|------------------------------------|--------|-------|-------|-------|--------|
| i) Projects in Progress | 149.15 | 36.32 | 19.50 | 21.10 | 226.07 |
| ii) Projects temporarily suspended | - | - | - | - | - |

As at 31st March, 2024

| | | | | | |
|------------------------------------|-------|-------|-------|---|-------|
| i) Projects in Progress | 42.35 | 19.50 | 21.10 | - | 82.95 |
| 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, 2025

| | | | | | |
|------------------------------------|-------|---|---|---|-------|
| i) Projects in progress | 76.92 | - | - | - | 76.92 |
| ii) Projects temporarily suspended | - | - | - | - | - |

As at 31st March, 2024

| | | | | | |
|------------------------------------|-------|---|---|---|-------|
| i) Projects in progress | 82.95 | - | - | - | 82.95 |
| ii) Projects temporarily suspended | - | - | - | - | - |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|---------------------------------------|---------------------------------------|
| 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) | 20.00 | 20.00 |
| Investments in Preference Share Capital in Wholly | | |
| Owned Subsidiary Company (at FVTPL)* | | |
| 66,26,160 1% Optionally Convertible Non Cumulative Redeemable Preference Shares of ₹ 10 each : Series A (P.Y. : 66,26,160) | 662.62 | 662.62 |
| 66,26,160 1% Optionally Convertible Non Cumulative Redeemable Preference Shares of ₹ 10 each : Series B (P.Y. : 66,26,160) | 662.62 | 662.62 |
| Total (ii) | 1,325.24 | 1325.24 |
| Total A (i+ii) | 1,345.24 | 1345.24 |

* 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 |
| Date of Incorporation | 30-07-2020 |
| Proportion of Ownership Interest /Voting rights held by the company | 100% |

The Company's investment in its wholly owned subsidiary, DACL Fine Chem Limited, stands at ₹ 1,345.24 lakhs, comprising ₹ 20.00 lakhs in equity shares (at cost) and ₹ 1,325.24 lakhs in preference share capital (measured at FVTPL). In addition, the Company has extended unsecured loans totaling ₹ 567.51 lakhs to the subsidiary. Since DACL Fine Chem Limited has not yet commenced operations at a significant scale, the Company performed an impairment assessment of both its investments and outstanding loans as of March 31, 2025. Based on this assessment and considering the fair value of leasehold land held by DACL finechem limited, no impairment is considered necessary, as the remaining value of these assets after meeting all its external liabilities, sufficient to support the respective carrying amount of investment and loan amount.

5B. Investment in Associate

Investment in Associate (Unquoted at Cost)

| | | |
|--|---------------|--------|
| 17,50,000 (P.Y. : 17,50,000) equity shares of KLJ Organic Diamines Limited (Fully paid up) (Face Value ₹ 10 per share) | 175.00 | 175.00 |
| Total (B) | 175.00 | 175.00 |

The Company has investment of ₹ 175.00 lakhs in its associate, KLJ Organic Diamines Limited, comprising 17,50,000 fully paid equity shares measured at Cost. In addition, the Company has outstanding unsecured loans of ₹ 256.41 lakhs to the associate. Since KLJ Organic Diamines Limited has not yet commenced operations, the Company performed an impairment assessment of both its investments and outstanding loans as of March 31, 2025. This assessment included a review of the fair value of the associate's leasehold land. Based on this assessment and considering the fair value of leasehold land held by KLJ Organic Diamines Limited no impairment is considered necessary, as the remaining value of these assets after meeting all its external liabilities, sufficient to support the respective carrying amount of investment and loan amount.

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|---------------------------------------|---------------------------------------|
| 5C. Other Investments | | |
| Investments in Quoted Securities (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) | 2.52 | 2.26 |
| 200 (P.Y.200) Equity Shares of Alkyl Amines Chemicals Limited (Fully paid up) (Face Value ₹ 2 per share) | 3.24 | 3.63 |
| 15,147 (P.Y. 15,147) Equity Shares of Deepak Nitrite Limited (Fully paid up) (Face Value ₹ 2 per share) | 300.46 | 321.95 |
| 6,500 (P.Y. 6,500) Equity Shares of P.I. Industries Limited (Fully paid up) (Face Value ₹ 1 per share) | 222.83 | 251.39 |
| 5,000 (P.Y. 2,500) Equity Shares of Reliance Industries Limited (Fully paid up) (Face Value ₹ 10 per share)* | 63.76 | 74.29 |
| 25,000 (P.Y. 25,000) Equity Shares of UPL Limited (Fully paid up) (Face Value ₹ 2 per share) | 159.06 | 114.00 |
| 6,500 (P.Y. 6,500) Equity Shares of GHCL Limited (Fully paid up) (Face Value ₹ 10 per share) | 39.97 | 28.81 |
| 51,220 (P.Y.51,220) Equity Shares of Meghmani Organics Limited (Fully paid up) (Face Value ₹ 1 per share) | 31.44 | 40.62 |
| 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) | 118.34 | 68.24 |
| 16,000 (P.Y 16,000) Equity Shares of Gujarat State Fertilizers & Chemicals Limited (Fully paid up) (Face Value ₹ 2 per share) | 28.36 | 31.30 |
| 23,000 (P.Y 23,000) Equity Shares of Gujarat Narmada Valley Fert. & Chem Limited (Fully paid up) (Face Value ₹ 10 per share) | 114.18 | 143.77 |
| 5,000 (P.Y 5,000) Equity Shares of Infosys Limited (Fully paid up) (Face Value ₹ 5 per share) | 78.53 | 74.90 |
| 1,350 (P.Y 1,350) Equity Shares of Jubilant Ingrevia Limited (Fully paid up) (Face Value ₹ 10 per share) | 8.77 | 6.11 |
| 3,000 (P.Y 3,000) Equity Shares of Syngene International Limited (Fully paid up) (Face Value ₹ 10 per share) | 21.79 | 21.08 |
| 2,000 (P.Y.2,000) Equity Shares of Aarti Drugs Limited (Fully paid up) (Face Value ₹ 10 per share) | 6.81 | 8.69 |
| 500 (P.Y.500) Equity Shares of Atul Limited (Fully paid up) (Face Value ₹ 10 per share) | 30.68 | 28.70 |
| 3,500 (P.Y.3,500) Equity Shares of Gujarat Flurochemicals Limited (Fully paid up) (Face Value ₹ 1 per share) | 140.80 | 108.41 |
| 1,500 (P.Y.1,500) Equity Shares of LTI Mindtree Limited (Fully paid up) (Face Value ₹ 1 per share) | 67.37 | 74.08 |
| 10,000 (P.Y.10,000) Equity Shares of Vedanta Limited (Fully paid up) (Face Value ₹ 1 per share) | 46.34 | 27.17 |
| 6,500 (P.Y. 6,500) Equity Shares of GHCL Textiles Limited (Fully paid up) (Face Value ₹ 10 per share) | 4.71 | 4.93 |
| 2,500 (P.Y. 2,500) Equity Shares of Jio Financial Services Limited (Fully paid up) (Face Value ₹ 10 per share) | 5.69 | 8.84 |
| Total 5 (C) | 1,495.65 | 1,443.16 |
| Total (5A+5B+5C) | 3,015.89 | 2,963.40 |
| Aggregate cost of quoted investments | 864.08 | 864.08 |
| Aggregate market value of quoted investments | 1,495.65 | 1,443.16 |
| Aggregate carrying value of unquoted investments | 1,520.24 | 1,520.24 |

* Includes Bonus shares @ 1:1 received in October 2024

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|-------------|---------------------------------------|---------------------------------------|
|-------------|---------------------------------------|---------------------------------------|

6. Loans

Unsecured Loans to Related Party- Considered good

| | | |
|--|---------------|---------------|
| KLJ Organic Diamines Ltd. (Refer Note - 41) | 256.41 | 256.68 |
| Interest Receivable on Advances with Associate (Refer Note - 41) | 43.31 | 23.19 |
| Total | 299.72 | 279.87 |

The above loan has 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, 2025 | | As at 31 st March, 2024 | |
|-----------------------------------|---|--|---|--|
| | 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 | 256.41 | 31.12% | 256.68 | 38.17% |

7. Financial Assets - Others

Unsecured and Considered Good

| | | |
|-------------------|-------------|-------------|
| Security Deposits | 4.30 | 4.24 |
| Total | 4.30 | 4.24 |

8. Other Non-current Assets

| | | |
|---|---------------|---------------|
| (i) Capital advances | 60.67 | 1.90 |
| (ii) Advances other than capital advances | | |
| Balances with Government Authorities | | |
| - CST | - | 0.50 |
| Less:- Provision for CST | - | (0.50) |
| - Income Tax (Refund Receivable) | 43.91 | 65.56 |
| - Income Tax paid under protest | 192.11 | 192.11 |
| - GST paid under protest | 5.25 | 0.35 |
| (iii) Other | | |
| - Prepaid Expenses | 3.65 | 7.16 |
| - Prepaid Gratuity | 8.36 | - |
| Total | 313.95 | 267.08 |

9. Inventories

| | | |
|----------------------------------|-----------------|-----------------|
| Raw Materials | 2,217.13 | 798.87 |
| Raw Materials - Goods in transit | 154.62 | - |
| Work in Progress | 375.69 | 233.89 |
| Finished goods | 321.94 | 633.54 |
| Finished goods - In transit | 32.50 | 0.97 |
| Packing materials | 6.19 | 10.87 |
| Fuel | 13.26 | 18.74 |
| Stores and Spares | 40.67 | 33.96 |
| Total | 3,162.00 | 1,730.83 |

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

(ii) Amount of inventories written down to NRV & recognised as an expense is ₹ 75.61 Lakhs (P.Y.: ₹ 98.45 Lakh) and Written off is ₹ 15.30 Lakh (P.Y.: NIL)

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|---------------------------------------|---------------------------------------|
| 10. Trade Receivables | | |
| Unsecured | | |
| (a) Considered good | 1,019.42 | 1,670.38 |
| (b) which have significant increase in credit risk | 565.58 | - |
| Less: Loss Allowance | (207.52) | - |
| Total | 1,377.48 | 1,670.38 |

There are no outstanding trade receivables from any directors or other officers of the Company or any of them either severally or jointly with any other person. For details of trade receivables from firms or private companies in which any director is a partner, a director or a member, subsidiary and associate companies, Refer Note - 41 Related Party Disclosures.

10(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 | 1-2 years | 2-3 years | More than 3 years | |
| F.Y 2024-25 | | | | | | | |
| i) Undisputed Trade Receivables - considered good | 696.81 | 317.51 | 0.11 | 4.99 | - | - | 1,019.42 |
| ii) Undisputed Trade Receivable - which have significant increase in credit risk | 16.77 | 178.91 | 165.52 | 204.38 | - | - | 565.58 |
| 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 | - | - | - | - | - | - | - |
| Total | 713.58 | 496.42 | 165.63 | 209.37 | - | - | 1,585.00 |
| Less: Loss Allowance | | | | | | | (207.52) |
| Total | 713.58 | 496.42 | 165.63 | 209.37 | - | - | 1,377.48 |
| 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 | - | - | - | - | - | - | - |
| Total | 1,005.49 | 664.89 | - | - | - | - | 1,670.38 |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

| Particulars | (₹ in Lakhs) | |
|--|------------------------------------|------------------------------------|
| | As at 31 st March, 2025 | As at 31 st March, 2024 |
| 11. Cash and Cash Equivalents | | |
| Balances with Banks | | |
| In current account | 46.35 | 49.99 |
| In cash credit account* | 89.47 | 201.73 |
| Deposits with original maturity less than 3 months** | 2,050.00 | - |
| Cash on hand | 1.79 | 1.19 |
| Total | 2,187.61 | 252.92 |

*The Company has availed fund based working capital facilities viz. cash credit facility and non-fund based working facilities from Bankers viz., Bank Guarantees and Letter of Credits from State bank of India against hypothecation of stock, book debts & all other current assets. 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.

**This includes Fixed deposit of ₹ 10 Crores, given as a security against Overdraft facility.

| | | |
|---|-----------------|-----------------|
| 12. Bank Balance Other than Cash & Cash Equivalents | | |
| Other bank deposits with original maturity of more than 3 months up to 12 months* | 1,750.00 | 3,375.00 |
| Accrued Interest on FD | 141.59 | 106.35 |
| Earmarked bank balances** | 54.83 | 54.31 |
| Bank account Share Warrants Application | 0.82 | - |
| Total | 1,947.24 | 3,535.66 |

*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.

| | | |
|--|---------------|---------------|
| 13. Loan | | |
| Loans to Related Party | | |
| Considered good - Unsecured | | |
| - DACL Fine Chem Ltd. (Refer Note - 41) | 567.51 | 415.79 |
| Interest Receivable on Advance to Subsidiary | - | 8.25 |
| Total | 567.51 | 424.04 |

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, 2025 | | As at 31 st March, 2024 | |
|------------------------------------|---|---|---|---|
| | 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 | 567.51 | 68.88% | 415.79 | 61.83% |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|---------------------------------------|---------------------------------------|
| 14. Current Tax Assets (Net) | | |
| Advance Tax (Net of provisions) | 108.25 | 152.57 |
| Total | 108.25 | 152.57 |
| 15. Other Current Assets | | |
| (i) Advances other than capital advances | | |
| (A) Advances | | |
| - Advances to vendors | 48.50 | 52.53 |
| - Employee Advance | 0.74 | 0.99 |
| (B) Balances with Government Authorities | | |
| - Duty Drawback | 0.28 | 0.28 |
| - GST Receivable | 9.61 | - |
| (ii) Other receivables | | |
| - Prepaid Expenses | 46.58 | 46.85 |
| - Prepaid Gratuity | 15.73 | 15.31 |
| Total | 121.44 | 115.96 |
| 16. Equity Share Capital | | |
| Authorised | | |
| 17,550,000 (P.Y. 17,550,000) Equity shares of ₹ 10/- each | 1,755.00 | 1,755.00 |
| Total | 1,755.00 | 1,755.00 |
| Issued, Subscribed and Fully Paid Up | | |
| 9,783,990 (P.Y. 9,783,990) Equity Shares ₹ 10/- each | 978.40 | 978.40 |
| Total | 978.40 | 978.40 |

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, 2023 | 97,83,240 | 978.32 |
| Add: Shares issued on exercise of employee stock options | 750 | 0.08 |
| As at 31 st March, 2024 | 97,83,990 | 978.40 |
| As at 1st April, 2024 | 97,83,990 | 978.40 |
| Additions/(Reductions) | - | - |
| As at 31st March, 2025 | 97,83,990 | 978.40 |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

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

| Name of the Shareholder | As at 31 st March, 2025 | | As at 31 st March, 2024 | |
|---------------------------------------|------------------------------------|--------------|------------------------------------|--------------|
| | No. of shares | % of Holding | No. of shares | % of Holding |
| Amit Mahendra Mehta | 12,66,032 | 12.94% | 12,57,080 | 12.85% |
| Cherry Amit Mehta | 10,67,824 | 10.91% | 10,64,836 | 10.88% |
| Perfo Chem (India) Pvt. Ltd. | 9,70,809 | 9.92% | 9,67,609 | 9.89% |
| Harsh Amit Mehta | 5,04,581 | 5.16% | 5,01,368 | 5.12% |
| Finorga (India) Pvt. Ltd. | 5,02,568 | 5.14% | 4,99,497 | 5.11% |
| Mohak Amit Mehta | 4,96,901 | 5.08% | 4,93,908 | 5.05% |
| S. Amit Speciality Chemicals Pvt. Ltd | 4,94,464 | 5.05% | 4,88,500 | 4.99% |

Promoters' Shareholding at the end of the year

| Shareholder's Name | Shareholding at the end of the year (As at 31 st March, 2025) | | Shareholding at the end of the year (As at 31 st March, 2024) | | % change in shareholding during the year |
|---------------------------------------|--|----------------------------------|--|----------------------------------|--|
| | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company | |
| Amit Mahendra Mehta | 12,66,032 | 12.94% | 12,57,080 | 12.85% | 0.09% |
| Cherry Amit Mehta | 10,67,824 | 10.91% | 10,64,836 | 10.88% | 0.03% |
| Perfo Chem (India) Pvt. Ltd. | 9,70,809 | 9.92% | 9,67,609 | 9.89% | 0.03% |
| Harsh Amit Mehta | 5,04,581 | 5.16% | 5,01,368 | 5.12% | 0.04% |
| Finorga (India) Pvt. Ltd. | 5,02,568 | 5.14% | 4,99,497 | 5.11% | 0.03% |
| Mohak Amit Mehta | 4,96,901 | 5.08% | 4,93,908 | 5.05% | 0.03% |
| S. Amit Speciality Chemicals Pvt. Ltd | 4,94,464 | 5.05% | 4,88,500 | 4.99% | 0.06% |
| Pinakin Kantilal Patel | 95,212 | 0.97% | 95,212 | 0.97% | 0.00% |

Right, Preferences and restrictions attached to Shares

- 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.
- 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.
- The Board of Directors of the holding company in their meeting held on 29th May, 2025 have recommended a final dividend of **₹ 1.00 per Equity Share** (previous year ₹ 2.50 per equity share) to be approved by the shareholders in the ensuing general meeting. On approval, this will result in an outflow of **₹ 97.84 Lakhs** (Previous year ₹ 244.60 Lakhs).

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

| (₹ in Lakhs) | | |
|--|---------------------------------------|---------------------------------------|
| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
| 17. Other Equity | | |
| General Reserve | 517.12 | 517.12 |
| Retained Earnings | 13,277.09 | 13,077.02 |
| Security Premium | 1.99 | 1.99 |
| Equity instruments carried through Other Comprehensive Income (OCI) | 529.12 | 500.35 |
| Equity Stock Option Reserve | 13.31 | 2.76 |
| Money Received against Share warrants | 1,250.82 | - |
| Total | 15,589.45 | 14,099.24 |
| 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 | 13,077.02 | 11,585.77 |
| Add: Net Profit for the year | 448.73 | 1,777.13 |
| 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 | (4.06) | (1.56) |
| Less: Payments of dividends (Final) | (244.60) | (293.50) |
| Balance at the end of the year | 13,277.09 | 13,077.02 |
| Security Premium | | |
| Balance at the beginning of the year | 1.99 | - |
| Additions: On Account of ESOP Exercise during the year | - | 1.99 |
| Balance at the end of the year | 1.99 | 1.99 |
| Share Warrants | | |
| Balance at the beginning of the year | - | - |
| Additions: Money Received against Share warrants | 1,250.82 | - |
| Balance at the end of the year | 1,250.82 | - |
| Equity instruments carried through other comprehensive income (OCI) | | |
| Balance at the beginning of the year | 500.35 | 400.38 |
| Add: Gain/(Loss) on sale of Investment | - | - |
| Add: Fair value gain/(loss) on investments in equity instruments (Net of Taxes) | 28.77 | 99.97 |
| Balance at the end of the year | 529.12 | 500.35 |
| Equity Stock Option Reserve | | |
| Balance at the beginning of the year | 2.76 | 7.42 |
| Esop Expense Provision during the year | 10.55 | 6.51 |
| 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 | 13.31 | 2.76 |
| Total | 15,589.45 | 14,099.24 |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

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.

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.

Share Warrants:On 1st August, 2024, members in Annual general meeting has approved issue of 9,16,390 (Nine Lakh Sixteen Thousand Three Hundred Ninety only) warrants, each convertible into, or exchangeable for, one fully paid-up equity share of the Company of face value of ₹ 10/- each ("Warrants") at a price of ₹ 552 each including premium of ₹ 542 each, being not less than the price determined in accordance with Chapter V of SEBI ICDR Regulations,2018, to the Promoter/Promoter Group of the company and certain identified non-promoter persons/entities. The Company has received upfront payment of 25% of the total consideration on 9,06,390 warrants as per the terms.

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, 2025 | As at 31 st March, 2024 |
| 18. Provisions | | |
| Provision for employee benefits | | |
| Compensated absences | 24.44 | 25.48 |
| Total | 24.44 | 25.48 |
| 19. Deferred Tax Liabilities (Net) | | |
| Deferred tax Liabilities | 528.51 | 426.12 |
| Less: Deferred tax Assets | (88.60) | (24.77) |
| Total | 439.91 | 401.34 |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | Opening Balance | Recognised in Profit or Loss | Recognised in other Comprehensive Income | Closing Balance |
|-------------|-----------------|------------------------------|--|-----------------|
|-------------|-----------------|------------------------------|--|-----------------|

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

2024-25

| | | | | |
|---|---------------|--------------|--------------|---------------|
| Property, Plant and Equipment & Intangible Assets | 361.25 | 76.92 | - | 438.17 |
| Equity Instruments through FVTOCI | 66.62 | - | 23.72 | 90.34 |
| Remesurement of defined benefits through FVTOCI | (0.52) | - | (1.36) | (1.88) |
| Provision for Provident Fund liability | (2.52) | - | - | (2.52) |
| Expenses claimed for tax purpose on payment basis | (23.48) | (60.71) | - | (84.19) |
| Total | 401.34 | 16.21 | 22.36 | 439.91 |

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 |

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|-------------|------------------------------------|------------------------------------|
|-------------|------------------------------------|------------------------------------|

20. Borrowings

Loan Repayable on Demand

| | | |
|--------------------------|-------------|----------|
| (i) Secured | | |
| - Over draft from bank * | 2.51 | - |
| Total | 2.51 | - |

* The Company has availed overdraft facility against fixed deposit (refer Note -11 & 12).

21. 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).

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|------------------------------------|------------------------------------|
| Total Outstanding dues of Micro & Small Enterprises (MSME)* | 14.07 | 25.84 |
| Total Outstanding dues of Creditors Other than Micro & Small Enterprises (Refer Note - 41) | 859.14 | 489.16 |
| Total | 873.21 | 515.00 |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|---------------------------------------|---------------------------------------|
| Disclosures required under section 22 of the Micro & Small enterprises Development Act 2006 ("MSMED Act") | | |
| (i) Principal amount remaining unpaid to any supplier as at the period end | 14.07 | 25.84 |
| (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. | - | - |

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

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|--|--|------------------|-----------|-----------|-------------------|--------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| F.Y 2024-25 | | | | | | |
| A. Cases where due date of payment is specified | | | | | | |
| (i) MSME | 13.62 | 0.45 | - | - | - | 14.07 |
| (ii) Others | 777.94 | 81.20 | - | - | - | 859.14 |
| (iii) Disputed dues – MSME | - | - | - | - | - | - |
| (iv) Disputed dues – Others | - | - | - | - | - | - |
| B. Cases where no due date of payment is specified | | | | | | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | - | - | - | - | - | - |
| (iii) Disputed dues – MSME | - | - | - | - | - | - |
| (iv) Disputed dues – Others | - | - | - | - | - | - |
| 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, 2025

| (₹ in Lakhs) | | |
|---|---------------------------------------|---------------------------------------|
| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
| 22. Other Financial Liabilities | | |
| Unclaimed dividends | 54.83 | 54.31 |
| Payable for Capital Goods | - | 20.89 |
| Employee Bonus / Exgratia Payable | 45.84 | 49.39 |
| Salary Payable | 52.16 | 47.78 |
| Outstanding Liabilities Expenses | 35.52 | 91.62 |
| Commission Payable to Directors (Refer Note 41) | 24.22 | 58.05 |
| Other Payables | 6.88 | 7.08 |
| Total | 219.45 | 329.13 |
| 23. Other Current Liabilities | | |
| Statutory Dues | 30.87 | 133.85 |
| Contract Liability - Advance from Customers | 48.31 | 14.43 |
| Security Deposit from Customer (Refer Note 41) | 20.00 | - |
| Total | 99.18 | 148.28 |
| 24. Provisions | | |
| Provision for employee benefits | | |
| Compensated absences | 5.43 | 11.44 |
| Others | | |
| Provident Fund | 10.00 | 10.00 |
| Total | 15.43 | 21.44 |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

| (₹ in Lakhs) | | |
|---|---|---|
| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
| 25. Revenue From Operations | | |
| (a) Sale of products | | |
| Manufactured Goods | 6,725.45 | 8,911.37 |
| Trading Goods | 197.93 | 1,372.03 |
| (b) Other Operating Revenue | | |
| Sale of Scrap | 30.53 | 11.85 |
| Duty Drawback Scheme benefits | 0.01 | 4.65 |
| Cash Discount Income - Trading Division | - | 7.22 |
| Delay Payment Charges-Trading Division | 185.37 | 96.39 |
| Total | 7,139.29 | 10,403.51 |

Disclosures as per Ind AS- 115 “Revenue from Contracts with Customers”:

- A. The Company derives revenues from sale of goods and scrap from its contracts with customers. The revenues have been disclosed in Note No.25 “Revenue from Operations”.

The disaggregation of revenues is as under:

| (₹ in Lakhs) | | |
|--|---|---|
| Nature | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
| Revenue from contracts with customers | | |
| Revenues from sale of goods | 6,725.45 | 8,911.37 |
| Revenues from sale of trading goods | 197.93 | 1,372.03 |
| Other Operating Revenue | | |
| - Revenues from sale of scrap | 30.53 | 11.85 |
| - Duty Drawback Scheme benefits | 0.01 | 4.65 |
| - Cash Discount Income - Trading Division | - | 7.22 |
| - Delay Payment Charges-Trading Div. | 185.37 | 96.39 |
| Total | 7,139.29 | 10,403.51 |

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

| (₹ in Lakhs) | | | | |
|-------------------------|---|---|---|---|
| Nature | Domestic | | Exports* | |
| | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
| Sale of goods | 6,332.98 | 8,291.88 | 392.47 | 619.49 |
| Sale of trading goods | 197.93 | 1,372.03 | - | - |
| Other Operating Revenue | 215.91 | 120.11 | - | - |
| Total | 6,746.82 | 9,784.02 | 392.47 | 619.49 |

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

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

1. The revenue from contracts with customers for the year includes variable consideration (volume & Rate discounts) of ₹ **92.58 lakhs** (P.Y. ₹ 139.51 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.
2. 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.
3. The movement in Company's receivables, contract assets and contract liabilities are as under:

(₹ in Lakhs)

| Particulars | Receivables | Contract Assets | Contract Liabilities |
|---|-----------------|-----------------|----------------------|
| Balance as at the beginning of the year | 1,670.38 | - | 14.43 |
| Balance as at the end of the year | 1,377.48 | - | 48.31 |
| Net Increase/ (Decrease) | (292.90) | - | 33.88 |

The revenue of ₹ **14.43 lakhs** (P.Y. ₹ 10.80 lakhs) has been recognised from the carried forward contract liabilities balance as at the beginning of the year.

(₹ in Lakhs)

| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
|---|---|---|
| 26. Other Income | | |
| Interest on Fixed and Other Deposits | 254.83 | 196.74 |
| Income From Contract Penalty | 5.00 | - |
| Interest Income From Associate | 22.37 | 18.91 |
| Interest Income From Subsidiary | 57.81 | 16.69 |
| Interest on IT Refund | 8.89 | - |
| Dividend Income | 16.46 | 23.12 |
| Exchange gains/(losses) on foreign currency | 7.52 | 6.91 |
| Trade payable written back | 2.40 | - |
| Gain on Sale of Asset | - | 8.59 |
| Reversal of Provision for Non Moving Stock | - | 1.58 |
| Total | 375.28 | 272.54 |

27. Cost of Materials consumed

| | | |
|--------------------------|-----------------|-----------------|
| Raw Materials Consumed : | | |
| Opening Stock | 798.87 | 948.29 |
| Add: Purchases | 4,688.71 | 3,394.47 |
| Less: Closing Stock | 2,371.75 | 798.87 |
| | 3,115.83 | 3,543.89 |
| Packing Materials : | | |
| Opening Stock | 10.87 | 4.83 |
| Add: Purchases | 159.03 | 163.81 |
| Less: Closing Stock | 6.19 | 10.87 |
| | 163.71 | 157.77 |
| Total | 3,279.54 | 3,701.66 |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

| (₹ in Lakhs) | | |
|--|---|---|
| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
| 28. Purchase of stock in trade | | |
| Purchase of Trading Goods | 197.93 | 1,358.41 |
| Less: Trade Discount | 11.88 | 45.39 |
| Total | 186.05 | 1,313.02 |
| 29. Changes in Inventories of Finished Goods and Work-In-Progress | | |
| Closing Stock | | |
| Finished Goods | 354.44 | 634.50 |
| Work in Progress | 375.69 | 233.89 |
| | 730.13 | 868.39 |
| Less: Opening Stock | | |
| Finished Goods | 634.50 | 329.58 |
| Work in Progress | 233.89 | 361.05 |
| | 868.39 | 690.63 |
| (Increase)/Decrease | 138.26 | (177.76) |
| 30. Employee Benefits Expense | | |
| Salaries and Wages* | 803.93 | 971.03 |
| Contribution to Provident and Other Funds | 73.26 | 79.94 |
| Staff Welfare Expenses | 98.82 | 113.13 |
| Total | 976.01 | 1,164.10 |
| * Including Commission to Executive Chairman & Executive Director | | |
| 31. Finance Costs | | |
| <u>Interest on</u> | | |
| Cash Credit Facilities | 0.18 | 2.59 |
| Overdraft against FD | 28.88 | - |
| Other | 0.29 | 6.22 |
| <u>Other Borrowing Costs</u> | | |
| Bank Charges | 4.51 | 10.61 |
| Total | 33.86 | 19.42 |
| 32. Depreciation and Amortisation Expenses | | |
| Depreciation on PPE (Including Right-of-use Assets) | 313.29 | 263.34 |
| Amortisation of Intangible Assets | 3.43 | 2.49 |
| Total | 316.72 | 265.83 |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
|--|---|---|
| 33. Other Expenses | | |
| Consumption of stores and spare parts | 83.75 | 118.90 |
| Power and Fuel | 634.56 | 696.56 |
| Factory Expenses | 33.62 | 48.72 |
| Material Handling | 99.73 | 111.69 |
| Repair and Maintenance | | |
| - Buildings | 27.56 | 22.38 |
| - Machinery | 113.64 | 99.76 |
| - Others | 11.74 | 12.29 |
| Rent | 112.64 | 41.59 |
| Insurance | 76.55 | 94.27 |
| Rates and Taxes | 7.32 | 6.81 |
| Legal fees | 1.45 | 0.75 |
| Professional Fees | | |
| - R&D Consultancy fees | 39.84 | 48.00 |
| - Others | 78.81 | 122.53 |
| Payment to Auditors (Refer note (i) below) | 13.20 | 11.82 |
| Director's Sitting fees | 13.72 | 10.41 |
| Commission to Non Executive Directors | 2.03 | 7.49 |
| Printing and Stationery | 6.56 | 6.54 |
| Loss Allowance of Trade Receivables (Refer Note 10) | 207.52 | - |
| Security Charges | 45.45 | 41.68 |
| House Keeping Expenses | 24.22 | 27.87 |
| Travelling and Motor Car Expenses | 67.45 | 103.77 |
| Research and Development Expenses | 4.80 | 4.92 |
| Corporate Social Responsibility Expenses (Refer Note (ii) below) | 70.65 | |
| Selling Expenses | 81.10 | 100.03 |
| Recruitment Exp. | 2.50 | 10.77 |
| Job Work Charges | 36.76 | 20.29 |
| Assets Written Off | - | 15.27 |
| loss on Sale of Asset | 2.61 | - |
| GST Expenses | 6.11 | 5.57 |
| Impairment of Assets | - | 82.37 |
| Subscription/membership | 8.69 | 9.08 |
| Computer Expense | 9.55 | 1.22 |
| Software Expense | 10.21 | 4.34 |
| Miscellaneous Expenses* | 18.55 | 22.59 |
| Total | 1,952.89 | 1,982.32 |

* 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 | 10.00 | 8.75 |
| - For Taxation Service | 2.25 | 2.45 |
| - Reimbursement of Expenses | 0.45 | 0.12 |

(b) Cost Auditors

| | | |
|--------------|------|------|
| - As Auditor | 0.50 | 0.50 |
|--------------|------|------|

| | | |
|--------------|--------------|--------------|
| Total | 13.20 | 11.82 |
|--------------|--------------|--------------|

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

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

(a) Gross amount required to be spent by the Company during the year: ₹ 70.65 Lakhs (Previous Year: ₹ 72.02 Lakhs)

(b) Details of corporate social responsibility expenditure

| Particulars | (₹ in Lakhs) | |
|--|---|---|
| | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
| (a) Amount Required to be spent by the group during the year | 70.65 | 72.02 |
| (b) Amount spent during the year on: | | |
| (i) Construction/acquisition of any Asset | - | - |
| (ii) On purposes other than (i) above | 70.65 | 72.03 |
| (c) Shortfall at the end of the year | - | - |
| (d) Details of related party transactions | | |
| Nature of CSR Activities | Promotion of Health Care, Education | Promotion of Health Care & Environmental |

34. 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, 2025 | For the year ended 31 st March, 2024 |
| Revenue Expenditure | 171.71 | 201.53 |
| Total | 171.71 | 201.53 |

| Particulars | (₹ in Lakhs) | |
|-------------|---|---|
| | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |

35. Disclosure pursuant to Ind AS 12 on "Income Taxes"

A. Components of Tax Expenses/(Income)

a. Profit or Loss Section

| | | |
|---|---------------|---------------|
| Current Tax | 181.87 | 577.03 |
| Earlier Year | (15.57) | 7.28 |
| Deferred Tax | 16.21 | 46.02 |
| Income tax expense recognised in the statement of profit or loss | 182.51 | 630.33 |

b. Other Comprehensive Income Section

| | | |
|--|--------------|--------------|
| Remeasurement of Defined Benefits Plans | (1.36) | (0.52) |
| Equity instruments through other comprehensive income | 23.72 | 12.91 |
| Income Tax Expense recognised in Other Comprehensive Income | 22.36 | 12.39 |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

| (₹ in Lakhs) | | |
|---|---|---|
| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
| B. Reconciliation of Income Tax Expense/(Income) and Accounting Profit multiplied by domestic tax rate applicable in India | | |
| Profit before Tax | 631.24 | 2,407.46 |
| Corporate Tax Rate as per Income Tax Act, 1961 | 25.17% | 25.17% |
| Tax on Accounting Profit | 158.87 | 605.91 |
| Effect of income exempt from tax | - | (5.82) |
| Effect of expenses/provisions not deductible in determining taxable profit | 263.49 | 180.77 |
| Effect of expenses/provisions deductible in determining taxable profit | (224.28) | (157.81) |
| Tax adjustment of earlier years | (15.57) | 7.28 |
| Income tax expense recognised in the statement of profit or loss | 182.51 | 630.33 |

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

| | | |
|--|-----------|-----------|
| Profits available to equity shareholders (₹ in Lakhs) | 448.73 | 1,777.13 |
| Weighted Average Number of Equity Shares used for calculating Basic EPS | 97,83,990 | 97,83,350 |
| Weighted Average Number of Equity Shares used as denominator for calculating Diluted EPS | 97,91,929 | 97,85,537 |
| Earnings Per Share of ₹ 10 each | | |
| - Basic (in ₹) | 4.59 | 18.16 |
| - Diluted (in ₹) | 4.58 | 18.16 |

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

| (₹ in Lakhs) | | |
|---|------------------------------------|------------------------------------|
| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
| (A) Contingent liabilities not provided for in respect of: | | |
| (a) Guarantees issued by the bankers on behalf of the Company | 116.24 | 40.00 |
| (b) Pending Litigations: | | |
| (i) Income Tax | 92.29 | 48.43 |
| (ii) Service Tax/Excise | 5.34 | 66.34 |
| (iii) Provident Fund | 29.50 | 29.50 |
| (iv) GST | 97.77 | 7.44 |
| Total | 341.14 | 191.72 |

(B) Commitments:

| (₹ in Lakhs) | | |
|--|---|---|
| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
| (a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) | 364.97 | 54.42 |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

38. Leases

The Company has taken certain warehouses, residential houses 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:

(₹ in Lakhs)

| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
|--|---|---|
| Lease Payments - Rent (Refer note 33) | 112.64 | 41.59 |
| Bus and Car Rent Payments (Included in note no. 30 under Staff Welfare Expenses) | 40.12 | 40.36 |

39. Employee Benefits

The Company has classified various employee benefits as under:

A. Defined Contribution Plans

- Provident Fund
- 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:

(₹ in Lakhs)

| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
|--------------------------------|---|---|
| Contribution to Provident Fund | 44.94 | 51.74 |
| Superannuation Fund | 2.61 | 2.44 |
| Total | 47.55 | 54.18 |

B. Defined Benefit Plans

The Company operates a defined benefit gratuity plan covering qualifying employees. Under this plan, eligible employees are entitled to a post-retirement benefit calculated at 15 days' salary for each completed year of service, up to the retirement age of 58 years, subject to a maximum payment ceiling of ₹ 20 lakhs. The benefit vests upon completion of five years of continuous service, in accordance with the provisions of the Payment of Gratuity Act, 1972. Once vested, the gratuity becomes payable upon retirement or termination of employment. The Company makes annual contributions to a group gratuity scheme administered by the Life Insurance Corporation of India (LIC) through its Gratuity Trust Fund. The liability towards the gratuity plan is determined based on actuarial valuations carried out at the end of each reporting period using the projected unit credit method, as prescribed under Ind AS 19 – Employee Benefits.

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

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.

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, 2025 | 31 st March, 2024 |
| i. Discount Rate (per annum) | 6.60% | 7.20% |
| ii. Rate of increase in compensation levels (per annum) | 6.00% | 6.00% |
| iii. Expected Rate of Return on Assets | 6.60% | 7.20% |
| iv. Attrition Rate | | |
| Age | | |
| 25 & Below : | 30% p.a. | 30% p.a. |
| 25 to 35 : | 20% p.a. | 20% p.a. |
| 35 to 45 : | 10% p.a. | 10% p.a. |
| 45 to 55 : | 5% p.a. | 5% p.a. |
| 55 & above : | 5% p.a. | 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, 2025

The provision towards the Gratuity is as under:

| | (₹ in Lakhs) | |
|-------------------------------|---------------------------------------|---------------------------------------|
| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
| Current liability/(Asset) | (15.73) | (15.31) |
| Non-Current liability/(Asset) | (8.36) | - |
| Total | (24.09) | (15.31) |

| | (₹ in Lakhs) | |
|--|--|--|
| Particulars | For the year ended 31 st March, 2025 Gratuity Funded | For the year ended 31 st March, 2024 Gratuity Funded |
| i. Change in the Present Value of Projected Benefit Obligation | | |
| Present Value of Benefit Obligation at the Beginning of the year | 73.36 | 86.36 |
| Interest Cost | 4.66 | 5.04 |
| Current Service Cost | 13.49 | 14.79 |
| (Benefit Paid From the Fund) | (19.22) | (34.58) |
| Actuarial (Gains)/ Losses on Obligations - Due to Change in Financial Assumptions | 3.14 | 0.44 |
| Due to change in Demographic assumptions | - | - |
| Actuarial (Gains)/ Losses on Obligations - Due to Experience | 1.77 | 1.30 |
| Present Value of Benefit Obligation at the End of the year | 77.20 | 73.36 |
| ii. Changes in the Fair value of Plan Assets | | |
| Fair Value of Plan Assets at the Beginning of the year | 88.67 | 89.70 |
| Interest Income | 6.25 | 5.83 |
| Contributions by the Employer | 26.10 | 28.06 |
| (Benefit Paid From the Fund) | (19.22) | (34.58) |
| Return on Plan Assets, Excluding Interest Income | (0.52) | (0.33) |
| Fair Value of Plan Assets at the End of the year | 101.28 | 88.67 |
| iii. Net (Liability)/Asset Recognised in the Balance Sheet | | |
| (Present Value of Benefit Obligation at the end of the year) | (77.20) | (73.36) |
| Fair Value of Plan Assets at the end of the year | 101.28 | 88.67 |
| Funded Status (Surplus/ (Deficit)) | 24.08 | 15.31 |
| Net (Liability)/Asset Recognised in the Balance Sheet | 24.08 | 15.31 |
| iv. Expenses Recognised in the Statement of Profit or Loss for the Current year | | |
| Current Service Cost | 13.49 | 14.79 |
| Net Interest Cost | (1.59) | (0.79) |
| Expenses Recognised | 11.90 | 14.00 |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | For the year ended 31 st March, 2025 Gratuity Funded | For the year ended 31 st March, 2024 Gratuity Funded |
|--|--|--|
| v. Expenses Recognised in the Other Comprehensive Income (OCI) for Current year | | |
| Actuarial (Gains)/ Losses on Obligation For the year | 4.91 | 1.75 |
| Return on Plan Assets, Excluding Interest Income | 0.52 | 0.33 |
| Net (Income)/Expenses For the year Recognised in OCI | 5.43 | 2.08 |
| vi. Maturity Analysis of the Benefit Payments : From the Fund | | |
| Projected Benefits Payable in Future Years From the Date of Reporting | | |
| 1st Following Year | 7.79 | 17.30 |
| 2nd Following Year | 6.40 | 6.82 |
| 3rd Following Year | 14.98 | 5.49 |
| 4th Following Year | 8.41 | 13.13 |
| 5th Following Year | 8.71 | 6.89 |
| Sum of Years 6 to 10 | 26.25 | 24.26 |
| vii. Sensitivity Analysis | | |
| Projected Benefit Obligation on Current Assumptions | 77.20 | 73.36 |
| Delta Effect of +0.5% Change in Rate of Discounting | -3.41% | -2.93% |
| Delta Effect of -0.5% Change in Rate of Discounting | 3.64% | 3.13% |
| Delta Effect of +0.5% Change in Rate of Salary Increase | 3.20% | 2.87% |
| Delta Effect of -0.5% Change in Rate of Salary Increase | -3.35% | -2.81% |
| Delta Effect of +1% Change in Rate of Employee Turnover | -0.30% | -0.10% |
| Delta Effect of -1% Change in Rate of Employee Turnover | 0.33% | 0.05% |

Notes on Sensitivity Analysis

- 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.
- 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.
- 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.

C. Compensated absences (Unfunded)

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 Standalone Financial Statements for the year ended 31st March, 2025

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, 2025 | 31 st March, 2024 |
| i. Discount Rate (per annum) | 6.60% | 7.20% |
| ii. Salary Growth Rate | 6.00% | 6.00% |
| iii. Attrition Rate | | |
| Age | | |
| 25 & Below : | 30% p.a. | 30% p.a. |
| 25 to 35 : | 20% p.a. | 20% p.a. |
| 35 to 45 : | 10% p.a. | 10% p.a. |
| 45 to 55 : | 5% p.a. | 5% p.a. |
| 55 & above : | 5% p.a. | 5% p.a. |
| iv. Mortality rate during the employment | Indian Assured Lives Mortality (2012-14) Table | Indian Assured Lives Mortality (2012-14) Table |
| v. Actuarial Valuation Method | Projected Unit Credit Method | Projected Unit Credit Method |
| vi. Retirement Age (years) | 58 | 58 |
| vii. Leave Availment Rate | 4% | 4% |
| viii. In Service Encashment Rate | 0% | 0% |
| ix. 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. | | |
| x. 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. | | |
| xi. 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:

| Particulars | (₹ in Lakhs) | |
|-----------------------|------------------------------------|------------------------------------|
| | As at 31 st March, 2025 | As at 31 st March, 2024 |
| Non-Current liability | 24.44 | 25.48 |
| Current liability | 5.43 | 11.44 |
| Total | 29.87 | 36.92 |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

40. 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 “Operating Segments”.

The Comparative Details are as below:

| (₹ in Lakhs) | | |
|--|---|---|
| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
| A. Segment Revenue | | |
| a. Speciality Chemicals | 6,755.99 | 8,927.87 |
| b. Trading in Fruits and Vegetables | 383.30 | 1,475.64 |
| Total Revenue | 7,139.29 | 10,403.51 |
| B. Segment Results | | |
| Profit/(Loss) before Tax and Finance cost | | |
| a. Speciality Chemicals | 683.26 | 2,264.26 |
| b. Trading in Fruits and Vegetables | (18.16) | 162.62 |
| Profit/(Loss) before Tax and Finance cost | 665.10 | 2,426.88 |
| Less : Finance Cost | (33.86) | (19.42) |
| Less : Tax Expenses | (182.51) | (630.33) |
| Net Profit/(Loss) after Tax | 448.73 | 1,777.13 |

| (₹ in Lakhs) | | |
|--|------------------------------------|------------------------------------|
| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
| Other Information : | | |
| Segment Assets | | |
| a. Speciality Chemicals | 17,883.92 | 16,095.58 |
| b. Trading in Fruits and Vegetables | 358.06 | 422.74 |
| Total | 18,241.98 | 16,518.32 |
| Segment Liabilities | | |
| a. Speciality Chemicals | 1,674.13 | 1,440.68 |
| b. Trading in Fruits and Vegetables | | |
| Total | 1,674.13 | 1,440.68 |
| Capital Expenditure during the year | | |
| a. Speciality Chemicals | 401.33 | 2,715.73 |
| b. Trading in Fruits and Vegetables | - | 1.90 |
| Total | 401.33 | 2,717.62 |
| Depreciation & Amortisation during the year | | |
| a. Speciality Chemicals | 316.72 | 265.83 |
| b. Trading in Fruits and Vegetables | | |
| Total | 316.72 | 265.83 |

Notes :

- One customer contributed 10% or more to the company's revenue for F.Y. 2024-25 i.e. ₹ 725.72 lakhs (P.Y. ₹ 1478.30 lakhs).
- The revenue from the said customer pertains to the Speciality Chemicals.
- 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, 2025

41. 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. Tanmay Godiawala | Director |
| Mr. Rajendra Chhabra | Non executive directors |
| Mr. Dhruv Mehta | Independent Director |
| Mr. Priyam Jhaveri | Independent Director (w.e.f. 09.08.2024) |
| Mr. Ambrish Dalal | Independent Director (up to 11.08.2024) |
| Mrs. Kejal Pandya | Independent Director |

(B) Relative of Key Managerial Personnel:

| | |
|-----------------|--|
| Mr. Mohak Mehta | Relative of Key Managerial personnel and Director of Wholly Owned Subsidiary |
|-----------------|--|

(C) Wholly owned Subsidiary (WOS)

| | |
|------------------------|------------|
| DACL Fine Chem Limited | Subsidiary |
|------------------------|------------|

(D) Associate

| | |
|------------------------------|-----------|
| KLJ Organic Diamines Limited | Associate |
|------------------------------|-----------|

(E) Director of WOS:

| | |
|-------------------------|--|
| Mr. Tanmay Godiawala | Managing Director of wholly Owned Subsidiary |
| Mr. G. S. Venkatachalam | Director |

(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.
Reaxa Limited (UK)
R.S.Chhabra & Co.(Prop. Mr Rajendra Chhabra)

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 | Wholly owned Subsidiary (WOS) | Director of WOS | Total |
|-------------------------|---|--------------------------|--------------------------------------|-------------------------------|-----------------|----------|
| Remuneration paid | - | 56.64 | - | - | - | 56.64 |
| | - | (148.51) | (23.60) | - | (20.67) | (192.80) |
| Mr. Amit M Mehta | - | 24.00 | - | - | - | 24.00 |
| | - | (97.91) | - | - | - | (97.91) |
| Mr. G. S. Venkatachalam | - | - | - | - | - | - |
| | - | (50.60) | - | - | - | (50.60) |
| Mr. Mohak Mehta | - | - | - | - | - | - |
| | - | - | (23.60) | - | - | (23.60) |
| Mr. Tanmay Godiawala | - | 32.64 | - | - | - | 32.64 |
| | - | (6.97) | - | - | (20.67) | (27.64) |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(₹ 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 |
|----------------------------------|---|--------------------------|--------------------------------------|-------------------------------|-----------------|--------------|
| Sitting Fees paid | - | 12.40 | - | - | - | 12.40 |
| | - | (10.41) | - | - | - | (10.41) |
| Mr. Rajendra Chhabra | - | 3.84 | - | - | - | 3.84 |
| | - | (3.24) | - | - | - | (3.24) |
| Mr. Priyam Jhaveri | - | 1.32 | - | - | - | 1.32 |
| | - | - | - | - | - | - |
| Mr. Ambrish Dalal | - | 1.92 | - | - | - | 1.92 |
| | - | (2.23) | - | - | - | (2.23) |
| Mr. Dhruv Mehta | - | 3.20 | - | - | - | 3.20 |
| | - | (2.30) | - | - | - | (2.30) |
| Mrs. Kejal Pandya | - | 3.44 | - | - | - | 3.44 |
| | - | (2.64) | - | - | - | (2.64) |
| 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 | - | 24.22 | - | - | - | 24.22 |
| | - | (58.05) | - | - | - | (58.05) |
| Mr. Amit M Mehta | - | 22.19 | - | - | - | 22.19 |
| | - | (35.13) | - | - | - | (35.13) |
| Mr. G. S. Venkatachalam | - | - | - | - | - | - |
| | - | (15.44) | - | - | - | (15.44) |
| Mr. Rajendra Chhabra | - | 0.92 | - | - | - | 0.92 |
| | - | (3.40) | - | - | - | (3.40) |
| Mr. Dhruv Mehta | - | 0.37 | - | - | - | 0.37 |
| | - | (1.36) | - | - | - | (1.36) |
| Mr. Ambrish Dalal | - | 0.37 | - | - | - | 0.37 |
| | - | (1.36) | - | - | - | (1.36) |
| Mrs. Kejal Pandya | - | 0.37 | - | - | - | 0.37 |
| | - | (1.36) | - | - | - | (1.36) |
| Reimbursement of Expenses | 2.76 | 19.60 | - | - | - | 22.36 |
| | (6.79) | (9.52) | - | - | (22.93) | (39.24) |
| Mr. Amit M Mehta | - | 1.01 | - | - | - | 1.01 |
| | - | (9.05) | - | - | - | (9.05) |
| Mr. G. S. Venkatachalam | - | - | - | - | - | - |
| | - | (0.23) | - | - | - | (0.23) |
| S Amit & Co. | 2.76 | - | - | - | - | 2.76 |
| | (6.79) | - | - | - | - | (6.79) |
| Mr. Tanmay Godiawala | - | 18.59 | - | - | - | 18.59 |
| | - | (0.24) | - | - | (22.93) | (23.17) |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(₹ 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 from related parties | 0.28 (0.76) | 0.15 (4.31) | - - | - - | - (6.89) | 0.43 (11.97) |
| Mr. Amit M Mehta | - - | 0.15 (4.07) | - - | - - | - - | 0.15 (4.07) |
| Mr. G. S. Venkatachalam | - - | - (0.25) | - - | - - | - - | - (0.25) |
| S Amit Speciality Chemicals Pvt. Ltd. | - (0.52) | - - | - - | - - | - - | - (0.52) |
| S Amit & Co. | 0.28 (0.24) | - - | - - | - - | - - | 0.28 (0.24) |
| Mr. Tanmay Godiawala | - - | - - | - - | - - | - (6.89) | - (6.89) |
| Unsecured Loans/Advances to Subsidiary (WOS) | - - | - - | - - | 154.50 (400.79) | - - | 154.50 (400.79) |
| DACL Fine Chem Limited | - - | - - | - - | 154.50 (400.79) | - - | 154.50 (400.79) |
| Interest on Loans to Subsidiary | - - | - - | - - | 57.81 (16.68) | - - | 57.81 (16.68) |
| DACL Fine chem limited | - - | - - | - - | 57.81 (16.68) | - - | 57.81 (16.68) |
| Recovery of Interest on Loan | - - | - - | - - | 66.06 (12.83) | - - | 66.06 (12.83) |
| DACL Fine Chem Limited | - - | - - | - - | 66.06 (12.83) | - - | 66.06 (12.83) |
| Reimbursement Received from Subsidiary | - - | - - | - - | 2.78 - | - - | 2.78 - |
| DACL Fine chem limited | - - | - - | - - | 2.78 - | - - | 2.78 - |
| Investment in Associates/ Joint Venture | - (174.65) | - - | - - | - - | - - | - (174.65) |
| KLJ Organic diamines limited | - (174.65) | - - | - - | - - | - - | - (174.65) |
| Unsecured Loans to Associate | - (70.27) | - - | - - | - - | - - | - (70.27) |
| KLJ Organic Diamines Limited | - (70.27) | - - | - - | - - | - - | - (70.27) |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(₹ 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 |
|--|---|--------------------------|--------------------------------------|-------------------------------|-----------------|-------------------------|
| Recovery of Unsecured Loans from Associates | - (175.00) | - | - | - | - | - (175.00) |
| KLJ Organic Diamines Limited | - (175.00) | - | - | - | - | - (175.00) |
| Interest on Loans to Associate | 22.37 (25.77) | - | - | - | - | 22.37 (25.77) |
| KLJ Organic Diamines Limited | 22.37 (25.77) | - | - | - | - | 22.37 (25.77) |
| Recovery of Interest on Loan of Associates | - (11.15) | - | - | - | - | - (11.15) |
| KLJ Organic diamines limited | - (11.15) | - | - | - | - | - (11.15) |
| Recovery of Expenses Associate | 0.27 - | - | - | - | - | 0.27 - |
| KLJ Organic diamines limited | 0.27 - | - | - | - | - | 0.27 - |
| Purchase of Goods (Inclusive of Tax) | 9.39 (30.48) | - | - | - | - | 9.39 (30.48) |
| Reaxa Chemistry Solutions, LLP | 9.39 (30.48) | - | - | - | - | 9.39 (30.48) |
| Security Deposit from customer | 20.00 - | - | - | - | - | 20.00 - |
| Reaxa Chemistry Solutions, LLP | 20.00 - | - | - | - | - | 20.00 - |
| Sales of Goods/services (Inclusive of Tax) | 25.67 (43.18) | - | - | 7.53 (6.84) | - | 33.20 (50.02) |
| DACL Fine Chem Limited | - - | - | - | 7.53 (6.84) | - | 7.53 (6.84) |
| Reaxa Chemistry Solutions, LLP | 1.42 (43.18) | - | - | - | - | 1.42 (43.18) |
| Reaxa Limited (UK) | 24.25 - | - | - | - | - | 24.25 - |
| Rent of Office/Accommodation (Inclusive of Tax) | 6.97 (6.97) | 84.00 (14.00) | - | - | - | 90.97 (20.97) |
| Finorga (I) Pvt. Ltd. | 6.97 (6.97) | - | - | - | - | 6.97 (6.97) |
| Mr. Amit M Mehta | - - | 84.00 (14.00) | - | - | - | 84.00 (14.00) |

Amounts in bracket indicate previous year figures.

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

| Balance as at: | | (₹ in Lakhs) | |
|---|--|--|--|
| Particulars | As at 31st March, 2025 | As at 31st March, 2024 | |
| Other payable: | 27.67 | 62.60 | |
| Remuneration : | | | |
| Mr. Amit M Mehta | - | 2.00 | |
| Mr. Tanmay Godiawala | 2.55 | 2.55 | |
| Legal & Professional Fees | | | |
| R.S.Chhabra & Co. (Prop. Mr. Rajendra Chhabra) - Net of TDS | 0.90 | - | |
| Commission to Directors: | | | |
| Mr. Amit M Mehta | 22.19 | 35.13 | |
| Mr. G. S. Venkatachalam | - | 15.44 | |
| Mr. Rajendra Chhabra | 0.92 | 3.40 | |
| Mr. Dhruv Mehta | 0.37 | 1.36 | |
| Mr. Ambrish Dalal | 0.37 | 1.36 | |
| Mrs. Kejal Pandya | 0.37 | 1.36 | |
| Other receivable : | | | |
| Unsecured Loans: | | | |
| DACL Fine Chem Limited | 567.51 | 415.78 | |
| KLJ Organic Diamines Limited | 256.41 | 256.68 | |
| Financial Assets- Others: | | | |
| Interest Receivable: | | | |
| DACL Fine Chem Limited | - | 8.25 | |
| KLJ Organic Diamines Limited | 43.32 | 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 | |
| Other Current Liability | | | |
| Security Deposit | | | |
| Reaxa Chemistry Solutions, LLP | 20.00 | - | |

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, 2025 | For the year ended 31st March, 2024 | |
| Short-term employee benefits | 78.83 | 199.08 | |
| 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, 2025

42. 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 material 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, 2025 and 31st March, 2024

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|---------------------------------------|---------------------------------------|
| I. Financial assets: | | |
| Measured at fair value through Other Comprehensive Income (FVTOCI) | | |
| Investments in equity instruments (Quoted) | 1,495.65 | 1,443.16 |
| Total | 1,495.65 | 1,443.16 |
| Measured at amortised cost | | |
| Trade receivables | 1,377.48 | 1,670.38 |
| Cash and cash equivalents | 2,187.61 | 252.92 |
| Other bank balances | 1,947.24 | 3,535.66 |
| Investments in Subsidiary & Associate (Un quoted) | 1,520.24 | 1,520.24 |
| Loan to Subsidiary & Associate | 867.23 | 703.91 |
| Other financial assets | 4.30 | 4.24 |
| Total | 7,904.10 | 7,687.35 |
| II. Financial liabilities: | | |
| Measured at amortised cost | | |
| Borrowings | 2.51 | - |
| Trade payables | 873.21 | 515.00 |
| Other financial liabilities | 219.45 | 329.13 |
| Total | 1,095.17 | 844.13 |

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, 2025

(C) 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, 2025 | | | As at 31 st March, 2024 | | |
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| (a) Financial assets / liabilities at fair value through other comprehensive income (FVTOCI) | | | | | | |
| Financial assets measured at fair value | | | | | | |
| Investments in equity Shares - | | | | | | |
| Quoted - (Refer Note-5(C)) | 1,495.65 | - | - | 1,443.16 | - | - |

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(b) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The carrying amounts of Financial Assets and Financial Liabilities recognised at amortized cost to their fair values.

There has been no transfers between level 1, level 2 and level 3 for the years ended 31st March, 2025.

(D) 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.

1. 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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(l) 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, 2025 | | As at 31 st March, 2024 | |
|-------------|------------------------------------|------------|------------------------------------|------------|
| | Amount in Foreign currency | ₹ in Lakhs | Amount in Foreign currency | ₹ in Lakhs |
| Payable USD | 6,83,257.06 | 597.25 | 4,71,467.40 | 393.23 |

(a) 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, 2025 | For the year ended 31 st March, 2024 |
| Assets: | | |
| Weakening of INR by 5% | - | - |
| Strengthening of INR by 5% | - | - |
| Liabilities: | | |
| Weakening of INR by 5% | -29.86 | -19.66 |
| Strengthening of INR by 5% | 29.86 | 19.66 |

(b) 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 & out of the above, the details of exposures hedged using forward exchange contracts are given below as at year ended 31st March, 2025 and 31st March, 2024 are as under

| Outstanding contracts | Average exchange rates | | Foreign Currency | |
|-----------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | 31 st March, 2025 | 31 st March, 2024 | 31 st March, 2025 | 31 st March, 2024 |
| USD-Purchase | 87.27 | 83.40 | 3,77,328.06 | 4,71,467.40 |

| Outstanding contracts | Nominal Amounts | | Fair Value | |
|-----------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | 31 st March, 2025 | 31 st March, 2024 | 31 st March, 2025 | 31 st March, 2024 |
| In INR | 329.31 | 393.23 | 322.92 | 393.23 |
| Total | 329.31 | 393.23 | 322.92 | 393.23 |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(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.

(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, 2025 would increase / decrease by **₹ 74.78 Lakhs** (P.Y. ₹ 72.16 Lakhs) as a result of 5% changes in fair value of equity investments measured at FVTOCI.

2. 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.

3. 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, 2025 | | | | |
| Trade payables | 873.21 | - | - | - |
| Other Financial Liabilities | 219.45 | - | - | - |
| Total | 1,092.66 | - | - | - |
| As at 31st March, 2024 | | | | |
| Trade payables | 514.69 | 0.31 | - | - |
| Other Financial Liabilities | 329.13 | - | - | - |
| Total | 843.82 | 0.31 | - | - |

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

43. Disclosures on Financial Ratios

| Ratio | Numerator | Denominator | 31-Mar-25 | 31-Mar-24 | Variance % | Reason for variance |
|---------------------------------|--|------------------------------|-----------|-----------|------------|--|
| Current ratio | Current Assets | Current Liabilities | 7.83 | 7.77 | 0.70% | |
| Debt- Equity Ratio | Total Debt | Shareholder's Equity | - | - | - | NA |
| Debt Service Coverage ratio | Earnings available for debt service (1) | Debt Service (2) | 27.23 | 234.10 | -88.37% | EBITDA declined mainly due to impact of reduction of sales price and increasing material cost Marginally increase in finance cost. |
| Return on Equity ratio | Net Profits after taxes – Preference Dividend (if any) | Average Shareholder's Equity | 2.84% | 12.44% | -77.21% | Profit Margin declined mainly due to impact of reduction of sales price and increasing material cost |
| Inventory Turnover ratio | Cost of goods sold | Average Inventory | 1.47 | 2.83 | -48.01% | Increase in Raw Material Inventory |
| Trade Receivable Turnover Ratio | Net Credit Sales (3) | Average Accounts Receivable | 4.54 | 5.19 | -12.54% | |
| Trade Payable Turnover Ratio | Net Credit Purchases (4) | Average Trade Payables | 7.27 | 7.74 | -6.05% | |
| Net Capital Turnover Ratio | Net Sales (5) | Working Capital (6) | 0.84 | 1.50 | -44.03% | Due to reduction in sales revenue and increase in raw material inventory. |
| Net Profit ratio | Net Profit | Net Sales (5) | 6.29% | 17.08% | -63.20% | Profit Margin declined mainly due to impact of reduction of sales price and increasing material cost |
| Return on Capital Employed | Earnings before interest and taxes | Capital Employed (7) | 3.91% | 15.68% | -75.06% | EBITDA declined mainly due to impact of reduction of sales price and increasing material cost. |
| Return on Investment | Income from invested funds (8) | Average Invested Funds (9) | 6.99% | 7.96% | -12.21% | |

(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, 2025

44. Employee Stock Option

At the 45th Annual General Meeting the 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 5752 (Grant 9 to 12) Stock Option (Previous year: stock options 2127 grant 8) to the employees as Reward/Joining bonus for the year ended March 31, 2025. During the year ended 31st March 2025, The Company has charged to statement of profit and loss as Employee benefit Expenses of ₹ **10.55 Lakhs** (P.Y. ₹ 6.51 Lakhs) and the balance in employee share option outstanding a/c as at March 31, 2025 is ₹ **13.31 lakhs** (P.Y. ₹ 2.76 Lakhs)

1. Option Movement during the year ended 31st March, 2025

| Grant no. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Fair value/Weighted average price per ESOP option (in ₹) | 276.27 | 275.12 | 348.70 | 221.16 | 349.24 | 413.41 | 285.53 | 553.26 | 532.33 | 337.03 | 556.11 | 371.03 |
| Number of options outstanding at beginning of the year | - | 60 | - | - | - | - | - | 2,127 | - | - | - | - |
| Add: Number of options granted during the year | - | - | - | - | - | - | - | - | 750 | 1,000 | 3,132 | 870 |
| 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 | - | 60 | - | - | - | - | - | 2,127 | 750 | 1,000 | 3,132 | 870 |
| Weighted average years of expiry | 4 years | 1 years | 3 years | 3 years | 4 years | 4 years | 4 years | 4 years | 4 years | 4 years | 4 years | 4 years |

2. 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 | 348.70 | 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 |

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 | | | | | | | | | | |
| Grant Date | 11-05-2022 | 11-05-2022 | 10-08-2022 | 10-08-2022 | 10-08-2022 | 10-08-2022 | 06-02-2023 | 06-02-2023 | 03-08-2023 | 21-05-2024 | 06-08-2024 |
| Grant no. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Number of Options granted | 2,500 | 810 | 1,500 | 1,000 | 750 | 1,500 | 1,000 | 2,127 | 750 | 1,000 | 3,132 |
| Option value as on grant date | | | | | | | | | | | |
| Fair value/Weighted average price per ESOP option (in ₹) | 276.27 | 275.12 | 348.70 | 221.16 | 349.24 | 413.41 | 285.53 | 553.26 | 532.33 | 337.03 | 556.11 |
| Face value per ESOP option (in ₹) | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Value of Option (in ₹) | 690,684 | 222,851 | 523,050 | 221,160 | 261,930 | 620,115 | 285,530 | 1,176,784 | 399,250 | 337,030 | 1,741,737 |
| Parameters of Fair value of options as on grant date | | | | | | | | | | | |
| Stock price as on grant date (in ₹) | 283.80 | 283.80 | 356.80 | 356.80 | 356.80 | 420.90 | 420.90 | 587.65 | 563.95 | 563.95 | 574.20 |
| Exercise Price (in ₹) | 10.00 | 10.00 | 10.00 | 178.00 | 10.00 | 10.00 | 210.45 | 10.00 | 10.00 | 281.98 | 10.00 |
| Volatility (%) | 44.99% | 44.99% | 42.80% | 42.80% | 42.80% | 51.58% | 51.58% | 56.87% | 35.09% | 35.09% | 47.61% |
| Risk Free rate (%) | 7.10% | 7.10% | 7.01% | 7.01% | 7.01% | 7.21% | 7.21% | 7.18% | 7.05% | 7.05% | 6.80% |
| Dividend Yield | | | | | | | | 1.17% | 1.09% | 1.09% | 0.46% |
| Expected life of the option | 4 years | 2 years | 3 years | 3 years | 4 years | 4 years | 4 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, 2025

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.

45. The Company does not have any Immovable Property whose title deeds are not held in the name of the Company.
46. The Company does not have any transactions with struck-off companies.
47. The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.
48. The Company doesn't have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- 49 The Company doesn't have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 50 The Company has not advanced any loans or advances in the nature of loans to specified persons viz. promoters, directors, KMPs, related parties; which are repayable on demand or where the agreement does not specify any terms or period of repayment.
- 51 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 52 The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

Notes to the Standalone Financial Statements for the year ended 31st March, 2025

- 53** 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.
- 54** The previous year's figures have been regrouped/rearranged wherever necessary to make them comparable with the current year.

55 Approval of Standalone Financials Statements

The Standalone Financial Statements were approved for issue by the Board of Directors on 29th May, 2025.

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829
Chhaya Dave
Partner
Membership No. 100434
Place : Vadodara
Date : 29th May, 2025

For and on behalf of the Board
Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 29th May, 2025

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

INDEPENDENT AUDITORS' 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, 2025, 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 material 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 of report of the other auditors on separate financial statements 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, 2025, and their 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 obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters section below, 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 | Litigations and claims (Refer to note 36(A) to the consolidated financial statements) In case of holding company, the cases are pending with multiple tax authorities like Income Tax, Excise/Service Tax and Provident Fund Authority etc. | Our audit procedures, inter alia, included the following: <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 procedures 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 statements of the entities within the Group and its associate to express an opinion on the consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial information of entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the Annual Consolidated Financial statements, which have been audited by the

other auditors, such other auditors remains responsible for the direction, supervision and performance of the audit carried out by them. 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 ₹1543.76 Lakhs as at March 31, 2025 (P.Y. ₹ 1567.05 Lakhs), total revenues of ₹ 14.24 Lakhs (P.Y. ₹ 5.13 Lakhs), Net loss after tax ₹ (161.04) Lakhs (P.Y. ₹ (195.45) Lakhs), total comprehensive income (comprising of Loss and other comprehensive income) of ₹ (161.04) Lakhs (P.Y. ₹ (195.45) Lakhs) and net cash inflows amounting to ₹ 3.22 Lakhs (P.Y. ₹ (1.81) 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 loss ₹ (22.31) Lakhs (P.Y. ₹ (41.69) Lakhs) for the year ended March 31, 2025, as considered in the consolidated financial statements, in respect of the associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors 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 auditors.

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 the consideration of the report of the other auditors on the financial statements of the associate referred to 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 Group and taken on record by the respective Board of Directors of the Holding Company and subsidiary company and based on the separate audit report in respect of its associate company as on March 31, 2025, 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, 2025 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 according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The subsidiary company incorporated in India has not paid any remuneration to its directors during the year. Based on the auditors report of associate company incorporated in India, no remuneration has been paid by the associate company to its directors during the year.

- 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 the consideration of the report of other auditors on separate financial statements of the associate, 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 36(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, 2025;
 - 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 Group and associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors respectively that, 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 Group and associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and other auditors respectively 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 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 15(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.

- 2. Based on our examination which included test checks that performed us and respective auditor of Associates, 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 and audit trail has been preserved by the Company as per the statutory requirements for record retention except for the instances mention in case of Associate as below:
 - a. The audit trail feature does not appropriately maintain the details of subsequent edits at the application level.
 - b. The audit trail feature was not enabled at the database level to log any direct data changes.
- 3. 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 reports issued by us in respect of Holding and Subsidiary company and the auditors of associate included in the consolidated financial statements, we report that there are no qualifications or adverse remarks in these CARO reports.

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

Chhaya M Dave
Partner
Membership No. 100434
UDIN: 25100434BMLKGA3180

Place : Vadodara
Date : May 29, 2025

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 even date)

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.

In conjunction with our audit of the Consolidated Financial statements of the Group as of and for the year ended March 31,2025, 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") and its associates company, which are company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary company and its associate company 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 and the audit evidence obtained by the other auditors of associate company, in terms of their report referred to in the Other Matter paragraph below, 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 and its 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 and based on the consideration of the report of other auditors referred to in the Other Matter paragraph below, the Holding Company, its subsidiary and its associate, 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, 2025, based on the internal control over financial reporting criteria established by the Group and its associate 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 with reference to consolidated financial statements in so far as it relates to associate company, which is the company incorporated in India, is based on the corresponding report of the auditors of such company.

Our opinion is not modified in respect of above matter.

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

Chhaya M Dave
Partner
Membership No. 100434
UDIN: 25100434BMLKGA3180

Place : Vadodara
Date : May 29, 2025

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2025

(₹ in Lakhs)

| Particulars | Note No. | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|----------|---------------------------------------|---------------------------------------|
| (I) ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Property, Plant and Equipment and Intangible Assets | | | |
| (i) Property, Plant and Equipment | 4A | 6,372.62 | 6,529.52 |
| (ii) Intangible assets | 4B | 6.01 | 8.63 |
| (b) Capital work-in-progress | 4C | 226.07 | 82.95 |
| (c) Financial Assets | | | |
| (i) Investments | | | |
| (A) Investments | 5A | 1,495.65 | 1,443.16 |
| (B) Investments accounted for using Equity Method | 5B | 111.00 | 133.31 |
| (ii) Loans | 6 | 299.72 | 279.87 |
| (iii) Others | 7 | 14.31 | 14.25 |
| (d) Other non-current assets | 8 | 314.38 | 268.47 |
| Total Non-Current Assets | | 8,839.76 | 8,760.16 |
| (2) Current Assets | | | |
| (a) Inventories | 9 | 3,167.43 | 1,735.78 |
| (b) Financial Assets | | | |
| (i) Trade receivables | 10 | 1,384.34 | 1,669.59 |
| (ii) Cash and cash equivalents | 11 | 2,192.38 | 254.47 |
| (iii) Bank balance other than cash & cash equivalents | 12 | 1,947.24 | 3,535.66 |
| (c) Current Tax Assets (Net) | 13 | 108.25 | 152.67 |
| (d) Other current assets | 14 | 169.61 | 159.24 |
| Total Current Assets | | 8,969.25 | 7,507.41 |
| TOTAL ASSETS | | 17,809.01 | 16,267.57 |
| (II) EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share capital | 15 | 978.40 | 978.40 |
| (b) Other Equity | 16 | 15,147.56 | 13,833.01 |
| Total Equity | | 16,125.96 | 14,811.41 |
| Liabilities | | | |
| (1) Non-Current Liabilities | | | |
| (a) Provisions | 17 | 24.44 | 25.48 |
| (b) Deferred Tax Liabilities (Net) | 18 | 439.91 | 401.35 |
| Total Non-Current Liabilities | | 464.35 | 426.83 |
| (2) Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 19 | 2.51 | - |
| (ii) Trade payables | | | |
| (A) due to micro enterprises and small enterprises | | 14.07 | 26.16 |
| (B) due to other than micro enterprises and small enterprises | 20 | 863.79 | 493.27 |
| (iii) Other financial liabilities | 21 | 220.95 | 337.76 |
| (b) Other current liabilities | 22 | 101.95 | 150.69 |
| (c) Provisions | 23 | 15.43 | 21.44 |
| Total Current Liabilities | | 1,218.70 | 1,029.32 |
| Total Liabilities | | 1,683.05 | 1,456.15 |
| TOTAL EQUITY AND LIABILITIES | | 17,809.01 | 16,267.57 |

Material Accounting Policies and Notes to the Consolidated Financial Statements

1-55

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829
Chhaya Dave
Partner
Membership No. 100434
Place : Vadodara
Date : 29th May, 2025

For and on behalf of the Board
Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 29th May, 2025
Tanmay Godiawala
Director
DIN: 07084668
Place : Mumbai
Hemaxi Pawar
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

| (₹ in Lakhs) | | | |
|--|-----------|---|---|
| Particulars | Note No. | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
| I Revenue from Operations | 24 | 7,147.15 | 10,402.84 |
| II Other Income | 25 | 317.51 | 255.86 |
| III Total income (I+II) | | 7,464.66 | 10,658.70 |
| IV EXPENSES | | | |
| Cost of materials consumed | 26 | 3,283.10 | 3,707.02 |
| Purchase of stock in trade | 27 | 186.05 | 1,313.02 |
| Changes in inventories of Finished goods and work-in-progress | 28 | 139.18 | (182.71) |
| Employee benefits expense | 29 | 1,006.23 | 1,222.14 |
| Finance costs | 30 | 33.99 | 19.51 |
| Depreciation and Amortisation expense | 31 | 349.32 | 285.12 |
| Other expenses | 32 | 1,988.91 | 2,075.53 |
| Total expenses (IV) | | 6,986.78 | 8,439.63 |
| V Profit before tax (III-IV) | | 477.88 | 2,219.07 |
| VI Tax expense: | | | |
| (a) Current Tax | 34 | 181.87 | 577.03 |
| (b) Tax relating to Earlier Years | 34 | (15.57) | 7.28 |
| (c) Deferred Tax | 34 | 16.21 | 46.02 |
| VII Profit for the year (V-VI) | | 295.37 | 1,588.74 |
| VIII Share of Profit/ (Loss) of Associate | | (22.31) | (41.69) |
| IX Net Profit after taxes and Share of Profit/ (Loss) of Associate (VII+VIII) | | 273.06 | 1,547.05 |
| 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 | | (5.42) | (2.08) |
| (ii) Gain/(Loss) on measuring equity instruments at Fair Value carried through Other Comprehensive Income (FVTOCI) | | 52.49 | 112.91 |
| (iii) Income tax on above | | (22.36) | (12.39) |
| B. Items that will be reclassified subsequently to profit or loss : | | - | - |
| XI Total Comprehensive Income for the year (IX+X) | | 297.77 | 1,645.48 |
| Profit for the year attributable to: | | | |
| - Owners of the Company | | 273.06 | 1,547.05 |
| - Non-controlling interests | | - | - |
| Other comprehensive income for the year | | | |
| - Owners of the Company | | 24.71 | 98.44 |
| - Non-controlling interests | | - | - |
| Total comprehensive income for the year | | 297.77 | 1,645.48 |
| - Owners of the Company | | - | - |
| - Non-controlling interests | | - | - |
| XII Earnings per equity share Basic (₹) | | | |
| (Face Value of ₹ 10 each) - (not annualised) | | | |
| Basic (₹) | | 2.79 | 16.24 |
| Diluted (₹) | 35 | 2.79 | 16.23 |

Material Accounting Policies and Notes to the Consolidated Financial Statements

1-55

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829
Chhaya Dave
Partner
Membership No. 100434
Place : Vadodara
Date : 29th May, 2025

For and on behalf of the Board
Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 29th May, 2025
Tanmay Godiawala
Director
DIN: 07084668
Place : Mumbai
Hemaxi Pawar
Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in Lakhs)

| Particulars | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit/(Loss) before tax* | 455.57 | 2,177.38 |
| Adjustments for: | | |
| Depreciation / Amortisation of Property, Plant and Equipment and Intangible Assets | 349.32 | 285.12 |
| Impairment of Property, Plant & Equipment | - | 82.37 |
| Write off of Property, Plant & Equipment | - | 15.27 |
| Share of Loss of Associate | 22.31 | 41.69 |
| Employee Stock Option Expenses | 10.55 | - |
| Interest on Income Tax | (8.89) | - |
| Dividend Income | (16.46) | (23.12) |
| Interest Income | (254.83) | (215.66) |
| Finance Costs | 34.00 | 19.51 |
| (Profit)/Loss on sale of Property, Plant and Equipment | 2.61 | (8.59) |
| Unrealised Loss/(Gain) on Foreign Exchange | (0.45) | 10.72 |
| Provision for Doubtful Receivables | 207.52 | - |
| Provision/Advances/Sundry Balances written off/ (back) | (2.40) | (1.58) |
| Other adjustments for non-cash items | - | 6.13 |
| Operating Profit/(Loss) before changes in working capital | 798.85 | 2,389.23 |
| Adjustment for (Increase)/Decrease in Operating Assets | | |
| Trade Receivables | 77.73 | 619.54 |
| Inventories | (1,431.65) | (52.31) |
| Financial Assets and Other Assets | (10.37) | (34.35) |
| Long-term Loans and Advances and Other Non-current Assets | (28.70) | 192.20 |
| Adjustment for Increase/(Decrease) in Operating Liabilities | | |
| Trade Payables | 361.27 | (247.52) |
| Other Financial Liabilities | (116.82) | (29.89) |
| Other Liabilities and provisions | (61.21) | 9.16 |
| Cash flow from operations after changes in working capital | (410.90) | 2,846.07 |
| Income-tax paid | (91.34) | (656.45) |
| Net Cash Flow (used in)/from Operating Activities (A) | (502.23) | 2,189.62 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Interest Received | 219.59 | 215.66 |
| Dividend Received | 16.46 | 23.12 |
| Purchase of Equity Instruments | - | (174.65) |
| Purchase of Property, Plant and Equipment, Intangible assets including CWIP & Capital Advance | (401.48) | (860.83) |
| Grant Received for Electronic Vehicle | 1.50 | - |
| Sale of Property, Plant and Equipment | 6.50 | 11.20 |
| Bank Balances not considered as Cash and Cash Equivalents | 1,622.84 | (1,097.78) |
| Net Cash Flow from/(used in) Investing Activities (B) | 1,465.41 | (1,883.28) |

(₹ in Lakhs)

| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
|--|---|---|
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Finance Costs | (34.00) | (19.51) |
| Payment of Dividend | (244.60) | (293.50) |
| Increase in Current Borrowings | 2.51 | - |
| Share warrants application money received | 1,250.82 | - |
| Equity issued to Employees vide ESOP | - | 0.08 |
| Net Cash Flow from/(used in) Financing Activities (C) | 974.73 | (312.93) |
| Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C) | 1,937.91 | (6.58) |
| Cash & Cash Equivalents at beginning of period (see Note 1) | 254.47 | 261.05 |
| Cash and Cash Equivalents at end of period (see Note 1) | 2,192.38 | 254.47 |

Notes:

1 Cash and Cash equivalents comprise of:

| | | |
|----------------------------------|-----------------|---------------|
| Cash on hand | 2.00 | 1.56 |
| Balance with Banks | 2,190.38 | 252.91 |
| Cash and Cash equivalents | 2,192.38 | 254.47 |

2 Cash Flow from Financial liability

| | | |
|----------------------------------|-------------|----------|
| Opening Balance | - | - |
| Changes from financing cash flow | 2.51 | - |
| Other changes | - | - |
| Closing Balance | 2.51 | - |

3 The above Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Ind AS 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
Chhaya Dave
Partner
Membership No. 100434
Place : Vadodara
Date : 29th May, 2025

For and on behalf of the Board
Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 29th May, 2025
Tanmay Godiawala
Director
DIN: 07084668
Place : Mumbai
Hemaxi Pawar
Company Secretary



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH,2025

| A. Equity Share Capital | | (₹ in Lakhs) |
|---|--|---------------|
| Particulars | | Amount |
| Balance as at 1 st April, 2023 | | 978.32 |
| Additions/(Reductions)* | | 0.08 |
| Balance as at 31 st March,2024 | | 978.40 |
| Balance as at 1st April, 2024 | | 978.40 |
| Additions/(Reductions) | | - |
| Balance as at 31st March,2025 | | 978.40 |

*Shares issued on account of exercise of employee stock options

| B. Other Equity | | (₹ in Lakhs) | | | | | |
|--|------------------------|-------------------------|--------------------------|---|------------------------------------|--|--------------|
| Particulars | General Reserve | Security Premium | Retained Earnings | Equity Instruments carried through OCI | Equity Stock Option Reserve | Money Received against Share warrants | Total |
| Balances as at 31st 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 | | (9.18) | - | - |
| Other adjustment | | | 0.32 | | | - | 0.32 |
| ESOP expense provision during the year | | | | | 6.51 | - | 6.51 |
| Share Premium on Share option exercised | | 1.99 | | | (1.99) | - | - |
| Remeasurement gain/(loss) on the Defined Benefit Plans carried through OCI, 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 |
| Movement during the year: | | | | | | | |
| Profit for the period | | | 273.06 | | | | 273.06 |
| Stock Option Outstanding A/c | | | | | 10.55 | | 10.55 |
| Remeasurement gain/(loss) on the Defined Benefit Plans carried through OCI, net of income tax | | | (4.06) | | | | (4.06) |
| Net fair value gain/(loss) on investment in equity instrument carried through OCI, net of income tax | | | | 28.77 | | | 28.77 |
| Gain / (Loss) on sale of Investment | | | | | | - | - |
| Money Received against Share warrants | | | | | | 1,250.82 | 1,250.82 |
| Payment of Dividend (Final) | | | (244.60) | | | | (244.60) |
| Tax on Dividend (Final) | | | | | | | - |
| Balances as at 31st March, 2025 | 517.12 | 1.99 | 12,835.20 | 529.12 | 13.31 | 1,250.82 | 15,147.56 |

Material Accounting Policies and

Notes to the Consolidated Financial Statements

1-55

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829
Chhaya Dave
Partner
Membership No. 100434
Place : Vadodara
Date : 29th May, 2025

For and on behalf of the Board
Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 29th May, 2025
Tanmay Godiwala
Director
DIN: 07084668
Place : Mumbai
Hemaxi Pawar
Company Secretary

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

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, 2025.

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.

1.2 Recent pronouncements

The Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules, as issued from time to time. During the year ended 31st March 2025, MCA has notified Indian Accounting Standard (Ind AS) 117 – Insurance Contracts. However, since the Company is not engaged in insurance business, Ind AS 117 is not applicable. Accordingly, there are no new standards or amendments to the existing standards applicable to the Company for the year.

1.3 Basis of Preparation of Financial Statements

The Consolidated Financial Statements have been prepared and presented 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 Consolidated 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.

2. Material Accounting Policies

(i) Property, Plant and Equipment

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.

Leasehold improvements are amortized over the period of the lease.

Freehold land is not depreciated.

(ii) Intangible Assets

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 processed raw material cost based on the 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

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.

The Company offsets tax assets and liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(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

Research costs are charged to the statement of profit and loss in the year in which they are incurred.

Product development costs incurred on new products are recognised as intangible assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate probable future economic benefits. The costs capitalised include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to the date the asset is available for use. Interest cost incurred is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset. Product development expenditure is measured at cost less accumulated amortisation and impairment, if any.

(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.

(xx) Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Consolidated Financial Statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

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, 2025

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 Equip-ment | Wind Electric Generators | Furniture and Fixtures | Office Equip-ments | Vehicles | Server | Comput-ers | Road | QA Lab Equip-ment | Low Value Assets | Total |
|--|---------------|--------------------------------------|-----------|---------------------|------------------|--------------------------|------------------------|--------------------|----------|--------|------------|-------|-------------------|------------------|----------|
| Gross Block | | | | | | | | | | | | | | | |
| 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 | 2,278.72 | 65.45 | - | 342.04 | 33.32 | 25.95 | 7.45 | 29.95 | - | - | 1.57 | 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 | 8,384.41 |
| Additions | - | 0.34 | 4.72 | 112.33 | 13.01 | - | 18.86 | 11.10 | 38.64 | - | - | - | - | 0.60 | 199.60 |
| Grant Received from Government | - | - | - | - | - | - | - | - | 1.50 | - | - | - | - | - | 1.50 |
| Deductions/Adjustments | - | - | - | 35.03 | - | - | - | - | - | - | - | - | - | - | 35.03 |
| As at 31 st March, 2025 | 1.54 | 1,446.59 | 1,184.59 | 4,572.86 | 278.22 | 140.91 | 563.00 | 71.56 | 146.63 | 19.96 | 80.21 | 27.98 | 3.52 | 9.91 | 8,547.48 |
| Accumulated Depreciation | | | | | | | | | | | | | | | |
| 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 |
| Charge for the year | - | 17.32 | 26.53 | 174.48 | 23.18 | 11.41 | 52.05 | 11.50 | 13.00 | 1.99 | 11.54 | 1.98 | 0.33 | 0.57 | 345.89 |
| Deductions/Adjustments | - | - | - | 25.92 | - | - | - | - | - | - | - | - | - | - | 25.92 |
| As at 31 st March, 2025 | - | 76.65 | 139.87 | 894.38 | 107.62 | 102.71 | 115.21 | 28.45 | 51.46 | 12.78 | 57.90 | 23.67 | 1.76 | 9.26 | 1,621.71 |
| Accumulated Impairment | | | | | | | | | | | | | | | |
| As at 31 st March, 2023 | - | - | - | 470.78 | - | - | - | - | - | - | - | - | - | - | 470.78 |
| Additions | - | - | - | 82.37 | - | - | - | - | - | - | - | - | - | - | 82.37 |
| Deductions/Adjustments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| As at 31 st March, 2024 | - | - | - | 553.15 | - | - | - | - | - | - | - | - | - | - | 553.15 |
| Additions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Deductions/Adjustments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| As at 31 st March, 2025 | - | - | - | 553.15 | - | - | - | - | - | - | - | - | - | - | 553.15 |
| Net Block | | | | | | | | | | | | | | | |
| Balance as at 31 st March, 2024 | 1.54 | 1,386.91 | 1,066.53 | 3,196.60 | 180.77 | 49.62 | 480.98 | 43.51 | 71.04 | 9.18 | 33.85 | 6.29 | 2.09 | 0.61 | 6,529.52 |
| Balance as at 31 st March, 2025 | 1.54 | 1,369.93 | 1,044.72 | 3,125.33 | 170.59 | 38.20 | 447.79 | 43.11 | 95.17 | 7.18 | 22.31 | 4.31 | 1.76 | 0.65 | 6,372.62 |

Note :

- 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.

Notes to the Consolidated Financial Statements for the Year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | Software & Licenses | Total |
|--|---------------------|--------------|
| 4B. Intangible assets | | |
| Gross Block | | |
| As at 31 st March, 2023 | 5.12 | 5.12 |
| Additions | 10.14 | 10.14 |
| Deductions/Adjustments | - | - |
| As at 31 st March, 2024 | 15.26 | 15.26 |
| Additions | 0.81 | 0.81 |
| Deductions/Adjustments | - | - |
| As at 31st March, 2025 | 16.07 | 16.07 |
| Accumulated Amortisation | | |
| As at 31 st March, 2023 | 4.15 | 4.15 |
| Additions | 2.49 | 2.49 |
| Deductions/Adjustments | - | - |
| As at 31 st March, 2024 | 6.63 | 6.63 |
| Additions | 3.43 | 3.43 |
| Deductions/Adjustments | - | - |
| As at 31st March, 2025 | 10.06 | 10.06 |
| Net Block | | |
| Balance as at 31 st March, 2024 | 8.63 | 8.63 |
| Balance as at 31st March, 2025 | 6.01 | 6.01 |

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, 2025 | As at 31 st March, 2024 |
|---|------------------------------------|------------------------------------|
| 4C. Capital work-in-progress | | |
| Balance as at beginning of the year | 82.95 | 2,139.30 |
| Add: Additions during the year | 341.75 | 836.41 |
| Less: Transfer to Property, Plant and Equipment | 198.63 | 2,892.76 |
| Total | 226.07 | 82.95 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(₹ 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, 2025 | | | | | |
| i) Projects in Progress | 149.15 | 36.32 | 19.50 | 21.10 | 226.07 |
| ii) Projects temporarily suspended | - | - | - | - | - |
| As at 31st March, 2024 | | | | | |
| i) Projects in Progress | 42.35 | 19.50 | 21.10 | - | 82.95 |
| 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 31 st March, 2025 | | | | | |
| i) Projects in progress | 76.92 | - | - | - | 76.92 |
| ii) Projects temporarily suspended | - | - | - | - | - |
| As at 31 st March, 2024 | | | | | |
| i) Projects in progress | 82.95 | - | - | - | 82.95 |
| ii) Projects temporarily suspended | - | - | - | - | - |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2025
(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|---------------------------------------|---------------------------------------|
| 5A. Other 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) | 2.52 | 2.26 |
| 200 (P.Y.200) Equity Shares of Alkyl Amines Chemicals Limited (Fully paid up) (Face Value ₹ 2 per share) | 3.24 | 3.63 |
| 15,147 (P.Y. 15,147) Equity Shares of Deepak Nitrite Limited (Fully paid up) (Face Value ₹ 2 per share) | 300.46 | 321.95 |
| 6,500 (P.Y. 6,500) Equity Shares of P.I. Industries Limited (Fully paid up) (Face Value ₹ 1 per share) | 222.83 | 251.39 |
| 5,000 (P.Y. 2,500) Equity Shares of Reliance Industries Limited (Fully paid up) (Face Value ₹ 10 per share)* | 63.76 | 74.29 |
| 25,000 (P.Y. 25,000) Equity Shares of UPL Limited (Fully paid up) (Face Value ₹ 2 per share) | 159.06 | 114.00 |
| 6,500 (P.Y. 6,500) Equity Shares of GHCL Limited (Fully paid up) (Face Value ₹ 10 per share) | 39.97 | 28.81 |
| 51,220 (P.Y.51,220) Equity Shares of Meghmani Organics Limited (Fully paid up) (Face Value ₹ 1 per share) | 31.44 | 40.62 |
| 6,215 (P.Y 6,215) Equity Shares of Epigral Limited (Fully paid up) (Face Value ₹ 10 per share) | 118.34 | 68.24 |
| 16,000 (P.Y 16,000) Equity Shares of Gujarat State Fertilizers & Chemicals Limited (Fully paid up) (Face Value ₹ 2 per share) | 28.36 | 31.30 |
| 23,000 (P.Y 23,000) Equity Shares of Gujarat Narmada Valley Fert. & Chem Limited (Fully paid up) (Face Value ₹ 10 per share) | 114.18 | 143.77 |
| 5,000 (P.Y 5,000) Equity Shares of Infosys Limited (Fully paid up) (Face Value ₹ 5 per share) | 78.53 | 74.90 |
| 1,350 (P.Y 1,350) Equity Shares of Jubilant Ingrevia Limited (Fully paid up) (Face Value ₹ 10 per share) | 8.77 | 6.11 |
| 3,000 (P.Y 3,000) Equity Shares of Syngene International Limited (Fully paid up) (Face Value ₹ 10 per share) | 21.79 | 21.08 |
| 2,000 (P.Y.2,000) Equity Shares of Aarti Drugs Limited (Fully paid up) (Face Value ₹ 10 per share) | 6.81 | 8.69 |
| 500 (P.Y.500) Equity Shares of Atul Limited (Fully paid up) (Face Value ₹ 10 per share) | 30.68 | 28.70 |
| 3,500 (P.Y.3,500) Equity Shares of Gujarat Flurochemicals Limited (Fully paid up) (Face Value ₹ 1 per share) | 140.80 | 108.41 |
| 1,500 (P.Y.1,500) Equity Shares of LTI Mindtree Limited (Fully paid up) (Face Value ₹ 1 per share) | 67.37 | 74.08 |
| 10,000 (P.Y.10,000) Equity Shares of Vedanta Limited (Fully paid up) (Face Value ₹ 1 per share) | 46.34 | 27.17 |
| 6,500 (P.Y. 6,500) Equity Shares of GHCL Textiles Limited (Fully paid up) (Face Value ₹ 10 per share) | 4.71 | 4.93 |
| 2,500 (P.Y. 2,500) Equity Shares of Jio Financial Services Limited (Fully paid up) (Face Value ₹ 10 per share) | 5.69 | 8.84 |
| Total (A) | 1,495.65 | 1,443.16 |
| *Includes Bonus shares @ 1:1 received in October 2024 | | |
| 5B. Investments In Associate | | |
| Investments in Associate (Unquoted, accounted as per equity method) | | |
| 17,50,000 (P.Y.17,50,000) equity shares of KLJ Organic Diamines Limited (Fully paid up) (Face Value ₹ 10 per share) | 175.00 | 175.00 |
| Less:- Share of Profit/ (Loss) of Associate | (64.00) | (41.69) |
| Total (B) | 111.00 | 133.31 |
| Total (A+B) | 1,606.65 | 1,576.47 |
| Aggregate cost of quoted investments | 864.08 | 864.08 |
| Aggregate market value of quoted investments | 1,495.65 | 1,443.16 |
| Aggregate carrying value of unquoted investments | 111.00 | 133.31 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|-------------|---------------------------------------|---------------------------------------|
|-------------|---------------------------------------|---------------------------------------|

6. Loans

Unsecured Loans to Related Party- Considered good

| | | |
|--|---------------|---------------|
| KLJ Organic Diamines Ltd. (Refer Note - 40) | 256.41 | 256.68 |
| Interest Receivable on Advances with Associate | 43.31 | 23.19 |
| Total | 299.72 | 279.87 |

The above loan has 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, 2025 | | As at 31 st March, 2024 | |
|-----------------------------------|---|--|---|--|
| | 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 | 256.41 | 100.00% | 256.68 | 100.00% |

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|-------------|---------------------------------------|---------------------------------------|
|-------------|---------------------------------------|---------------------------------------|

7. Financial Assets - Others

Unsecured and Considered Good

| | | |
|-------------------|--------------|--------------|
| Security Deposits | 14.31 | 14.25 |
| Total | 14.31 | 14.25 |

8. Other Non-current Assets

(i) Capital advances

| | |
|-------|------|
| 60.67 | 1.90 |
|-------|------|

(ii) Advances other than capital advances

| | | |
|--------------------------------------|--------|--------|
| Balances with Government Authorities | | |
| - CST | - | 0.50 |
| Less:- Provision for CST | - | (0.50) |
| - Income Tax (Refund Receivable) | 43.91 | 65.56 |
| - Income Tax paid under protest | 192.11 | 192.11 |
| - GST paid under protest | 5.25 | 0.35 |

(iii) Other

| | | |
|--------------------|------|------|
| - Prepaid Expenses | 4.08 | 8.55 |
| - Prepaid Gratuity | 8.36 | - |

| | | |
|--------------|---------------|---------------|
| Total | 314.38 | 268.47 |
|--------------|---------------|---------------|

9. Inventories

| | | |
|----------------------------------|-----------------|-----------------|
| Raw Materials | 2,218.11 | 798.87 |
| Raw Materials - Goods in transit | 154.62 | - |
| Work in Progress | 375.69 | 233.89 |
| Finished goods | 325.96 | 638.48 |
| Finished goods in Transit | 32.50 | 0.97 |
| Packing materials | 6.62 | 10.87 |
| Fuel | 13.26 | 18.74 |
| Stores and Spares | 40.67 | 33.96 |
| Total | 3,167.43 | 1,735.78 |

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

(ii) Amount of inventories written down to NRV & recognised as an expense is ₹75.61 Lakhs (₹98.45 Lakh) and Written off is ₹15.30 Lakh (NIL)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|---------------------------------------|---------------------------------------|
| 10. Trade Receivables | | |
| Unsecured | | |
| (a) Considered good | 1,026.28 | 1,669.59 |
| (b) which have significant increase in credit risk | 565.58 | - |
| Less: Loss Allowance | (207.52) | - |
| Total | 1,384.34 | 1,669.59 |

There are no outstanding trade receivables from any directors or other officers of the Company or any of them either severally or jointly with any other person. For details of trade receivables from firms or private companies in which any director is a partner, a director or a member, subsidiary and associate companies, Refer Note - 40 Related Party Disclosures.

10(i) Ageing Schedule for Trade receivables

(₹ in Lakhs)

| Particulars | | Outstanding for following periods from due date of payment | | | | | | |
|----------------------|--|--|--------------------|------------------|-----------|-----------|-------------------|----------|
| | | Not Due | Less than 6 months | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| F.Y 2024-25 | | | | | | | | |
| i) | Undisputed Trade Receivables - considered good | 703.67 | 317.51 | 0.11 | 4.99 | - | - | 1,026.28 |
| ii) | Undisputed Trade Receivable - which have significant increase in credit risk | 16.77 | 178.91 | 165.52 | 204.38 | - | - | 565.58 |
| 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 | - | - | - | - | - | - | - |
| Total | | 720.44 | 496.42 | 165.63 | 209.37 | - | - | 1,591.86 |
| Less: Loss Allowance | | | | | | | | (207.52) |
| Total | | 720.44 | 496.42 | 165.63 | 209.37 | - | - | 1,384.34 |
| 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 | - | - | - | - | - | - | - |
| Total | | 1,011.54 | 658.05 | - | - | - | - | 1,669.59 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|---------------------------------------|---------------------------------------|
| 11. Cash and Cash Equivalents | | |
| Balances with Banks | | |
| In current account | 50.91 | 51.18 |
| In cash credit account* | 89.47 | 201.73 |
| Deposits with original maturity less than 3 months ** | 2,050.00 | - |
| Cash on hand | 2.00 | 1.56 |
| Total | 2,192.38 | 254.47 |
| *The Company has availed fund based working capital facilities viz. cash credit facility and non-fund based working facilities from Bankers viz., Bank Guarantees and Letter of Credits from State bank of India against hypothecation of stock, book debts & all other current assets. 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. | | |
| **This includes Fixed deposit of ₹ 10 Crores, given as a security against Overdraft facility. | | |
| 12. Bank Balance Other than Cash & Cash Equivalents | | |
| Other bank deposits with original maturity of more than 3 months * | 1,750.00 | 3,375.00 |
| Accrued Interest on FD | 141.59 | 106.35 |
| Earmarked bank balances** | 54.83 | 54.31 |
| Bank account Share Warrants Application | 0.82 | - |
| Total | 1,947.24 | 3,535.66 |
| * 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. | | |
| 13. Current Tax Assets (Net) | | |
| Advance Tax (Net of provisions) | 108.25 | 152.67 |
| Total | 108.25 | 152.67 |
| 14. Other Current Assets | | |
| (i) Advances other than capital advances | | |
| (A) Advances | | |
| - Advances to vendors | 50.19 | 54.46 |
| - Employee Advance | 0.74 | 1.14 |
| (B) Balances with Government Authorities | | |
| - Duty Drawback | 0.28 | 0.28 |
| - GST Receivable | 55.42 | 40.55 |
| (ii) Other receivables | | |
| - Prepaid Expenses | 47.25 | 47.50 |
| - Prepaid Gratuity | 15.73 | 15.31 |
| Total | 169.61 | 159.24 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|------------------------------------|------------------------------------|
| 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. 9,783,990) Equity Shares ₹ 10/- each | 978.40 | 978.40 |
| Total | <u>978.40</u> | <u>978.40</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, 2023 | 97,83,240 | 978.32 |
| Add: Shares issued on exercise of employee stock options | 750 | 0.08 |
| As at 31 st March, 2024 | 97,83,990 | 978.40 |
| As at 1st April, 2024 | 97,83,990 | 978.40 |
| Additions/(Reductions) | - | - |
| As at 31st March, 2025 | 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, 2025 | | As at 31 st March, 2024 | |
|---------------------------------------|------------------------------------|--------------|------------------------------------|--------------|
| | No. of shares | % of Holding | No. of shares | % of Holding |
| Amit Mahendra Mehta | 12,66,032 | 12.94% | 12,57,080 | 12.85% |
| Cherry Amit Mehta | 10,67,824 | 10.91% | 10,64,836 | 10.88% |
| Perfo Chem (India) Pvt. Ltd. | 9,70,809 | 9.92% | 9,67,609 | 9.89% |
| Harsh Amit Mehta | 5,04,581 | 5.16% | 5,01,368 | 5.12% |
| Finorga (India) Pvt. Ltd. | 5,02,568 | 5.14% | 4,99,497 | 5.11% |
| Mohak Amit Mehta | 4,96,901 | 5.08% | 4,93,908 | 5.05% |
| S. Amit Speciality Chemicals Pvt. Ltd | 4,94,464 | 5.05% | 4,88,500 | 4.99% |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

Promoters' Shareholding at the end of the year

| Shareholder's Name | Shareholding at the end of the year (As at 31 st March, 2025) | | Shareholding at the end of the year (As at 31 st March, 2024) | | % change in shareholding during the year |
|---------------------------------------|---|----------------------------------|---|----------------------------------|--|
| | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company | |
| Amit Mahendra Mehta | 12,66,032 | 12.94% | 12,57,080 | 12.85% | 0.09% |
| Cherry Amit Mehta | 10,67,824 | 10.91% | 10,64,836 | 10.88% | 0.03% |
| Perfo Chem (India) Pvt. Ltd. | 9,70,809 | 9.92% | 9,67,609 | 9.89% | 0.03% |
| Harsh Amit Mehta | 5,04,581 | 5.16% | 5,01,368 | 5.12% | 0.04% |
| Finorga (India) Pvt. Ltd. | 5,02,568 | 5.14% | 4,99,497 | 5.11% | 0.03% |
| Mohak Amit Mehta | 4,96,901 | 5.08% | 4,93,908 | 5.05% | 0.03% |
| S. Amit Speciality Chemicals Pvt. Ltd | 4,94,464 | 5.05% | 4,88,500 | 4.99% | 0.06% |
| Pinakin Kantilal Patel | 95,212 | 0.97% | 95,212 | 0.97% | 0.00% |

Right, Preferences and restrictions attached to Shares

- 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.
- 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.
- The Board of Directors of the holding company in their meeting held on 29th May, 2025 have recommended a final dividend of **₹ 1.00 per Equity Share** (previous year ₹ 2.5 per equity share) to be approved by the shareholders in the ensuing general meeting. On approval, this will result in an outflow of **₹ 97.84 Lakhs** (Previous year ₹ 244.60 Lakhs).

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

| (₹ in Lakhs) | | |
|--|---------------------------------------|---------------------------------------|
| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
| 16. Other Equity | | |
| General Reserve | 517.12 | 517.12 |
| Retained Earnings | 12,835.20 | 12,810.80 |
| Security Premium | 1.99 | 1.99 |
| Equity instruments carried through Other Comprehensive Income (OCI) | 529.12 | 500.35 |
| Equity Stock Option Reserve | 13.31 | 2.76 |
| Money Received against Share warrants | 1,250.82 | - |
| Total | 15,147.56 | 13,833.01 |
| 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 | 12,810.80 | 11,549.31 |
| Add: Net Profit for the year | 273.06 | 1,547.05 |
| Add: Other Adjustment | - | 0.32 |
| 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 | (4.06) | (1.56) |
| Less: Payments of dividends (Final) | (244.60) | (293.50) |
| Balance at the end of the year | 12,835.20 | 12,810.80 |
| Security Premium | | |
| Balance at the beginning of the year | 1.99 | - |
| Additions: On Account of ESOP Exercise during the year | - | 1.99 |
| Balance at the end of the year | 1.99 | 1.99 |
| Share Warrants | | |
| Balance at the beginning of the year | - | - |
| Additions: Money Received against Share warrants | 1,250.82 | - |
| Balance at the end of the year | 1,250.82 | - |
| Equity instruments carried through other comprehensive income (OCI) | | |
| Balance at the beginning of the year | 500.35 | 400.38 |
| Add: Gain/(Loss) on sale of Investment | - | - |
| Add: Fair value gain/(loss) on investments in equity instruments (Net of Taxes) | 28.77 | 99.97 |
| Balance at the end of the year | 529.12 | 500.35 |
| Equity Stock Option Reserve | | |
| Balance at the beginning of the year | 2.76 | 7.42 |
| Esop Expense Provision during the year | 10.55 | 6.51 |
| 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 | 13.31 | 2.76 |
| Total | 15,147.56 | 13,833.01 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

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.

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.

Share Warrants: On 1st August, 2024, members in Annual general meeting has approved issue of 9,16,390 (Nine Lakh Sixteen Thousand Three Hundred Ninety only) warrants, each convertible into, or exchangeable for, one fully paid-up equity share of the Company of face value of ₹ 10/- each ("Warrants") at a price of ₹ 552 each including premium of ₹ 542 each, being not less than the price determined in accordance with Chapter V of SEBI ICDR Regulations, 2018, to the Promoter/Promoter Group of the company and certain identified non-promoter persons/entities. The Company has received upfront payment of 25% of the total consideration on 9,06,390 warrants as per the terms.

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, 2025 | As at 31 st March, 2024 |
| 17. Provisions | | |
| Provision for employee benefits | | |
| Compensated absences | 24.44 | 25.48 |
| Total | 24.44 | 25.48 |
| 18. Deferred Tax Liabilities (Net) | | |
| Deferred tax Liabilities | 528.51 | 426.12 |
| Less: Deferred tax Assets | (88.60) | (24.77) |
| Total | 439.91 | 401.35 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | Opening Balance | Recognised in Profit or Loss | Recognised in other Comprehensive Income | Closing Balance |
|-------------|-----------------|------------------------------|--|-----------------|
|-------------|-----------------|------------------------------|--|-----------------|

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

2024-25

| | | | | |
|---|---------------|--------------|--------------|---------------|
| Property, Plant and Equipment & Intangible Assets | 361.25 | 76.92 | - | 438.17 |
| Equity Instruments through FVTOCI | 66.62 | - | 23.72 | 90.34 |
| Remesurement of defined benefits through FVTOCI | (0.52) | - | (1.36) | (1.88) |
| Provision for Provident Fund liability | (2.52) | - | - | (2.52) |
| Expenses claimed for tax purpose on payment basis | (23.48) | (60.71) | - | (84.19) |
| Total | 401.35 | 16.21 | 22.36 | 439.91 |

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 | 401.35 |

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|-------------|------------------------------------|------------------------------------|
|-------------|------------------------------------|------------------------------------|

19. Borrowings

Loan Repayable on Demand

| | | |
|--------------------------|-------------|----------|
| (i) Secured | | |
| - Over draft from bank * | 2.51 | - |
| Total | 2.51 | - |

* The Company has availed overdraft facility against fixed deposit (refer Note -11 & 12).

20. 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).

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|---------------------------------------|---------------------------------------|
| Total Outstanding dues of Micro & Small Enterprises (MSME)* | 14.07 | 26.16 |
| Total Outstanding dues of Creditors Other than Micro & Small Enterprises (Refer Note - 40) | 863.79 | 493.27 |
| Total | 877.86 | 519.43 |

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 | 14.07 | 26.16 |
| (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. | - | - |

20(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 2024-25 | | | | | | |
| A. Cases where due date of payment is specified | | | | | | |
| (i) MSME | 13.62 | 0.45 | - | - | - | 14.07 |
| (ii) Others | 777.95 | 85.84 | - | - | - | 863.79 |
| (iii) Disputed dues – MSME | - | - | - | - | - | - |
| (iv) Disputed dues – Others | - | - | - | - | - | - |
| B. Cases where no due date of payment is specified | | | | | | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | - | - | - | - | - | - |
| (iii) Disputed dues – MSME | - | - | - | - | - | - |
| (iv) Disputed dues – Others | - | - | - | - | - | - |
| F.Y 2023-24 | | | | | | |
| A. Cases where due date of payment is specified | | | | | | |
| (i) MSME | 26.04 | 0.12 | - | - | - | 26.16 |
| (ii) Others | 472.51 | 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 | - | - | - | - | - | - |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|--|--|
| 21. Other Financial Liabilities | | |
| Unclaimed dividends | 54.83 | 54.31 |
| Payable for Capital Goods | - | 20.89 |
| Employee Bonus / Exgratia Payable | 45.84 | 49.39 |
| Salary Payable | 52.16 | 47.78 |
| Outstanding Liabilities Expenses | 35.52 | 100.24 |
| Commission Payable to Directors (Refer Note 40) | 24.22 | 58.05 |
| Other Payables | 8.38 | 7.08 |
| Total | 220.95 | 337.75 |
| 22. Other Current Liabilities | | |
| Statutory Dues | 33.61 | 136.19 |
| Contract Liability - Advance from Customers | 48.31 | 14.43 |
| Security Deposit from Customer (Refer Note 40) | 20.00 | - |
| Employee Payable | 0.03 | 0.07 |
| Total | 101.95 | 150.69 |
| 23. Provisions | | |
| Provision for employee benefits | | |
| Compensated absences | 5.43 | 11.44 |
| Others | | |
| Provident Fund | 10.00 | 10.00 |
| Total | 15.43 | 21.44 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

| (₹ in Lakhs) | | |
|---|---|---|
| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
| 24. Revenue From Operations | | |
| (a) Sale of products | | |
| Manufactured Goods | 6,733.31 | 8,910.70 |
| Trading Goods | 197.93 | 1,372.03 |
| (b) Other Operating Revenue | | |
| Sale of Scrap | 30.53 | 11.85 |
| Duty Drawback Scheme benefits | 0.01 | 4.65 |
| Cash Discount Income - Trading Division | - | 7.22 |
| Delay Payment Charges-Trading Division | 185.37 | 96.39 |
| Total | 7,147.15 | 10,402.84 |

Disclosures as per Ind AS- 115 “Revenue from Contracts with Customers”:

- A. The Company derives revenues from sale of goods and scrap from its contracts with customers. The revenues have been disclosed in Note No.24 “Revenue from Operations”.

The disaggregation of revenues is as under:

| (₹ in Lakhs) | | |
|---|---|---|
| Nature | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
| <u>Revenue from contracts with customers</u> | | |
| Revenues from sale of goods | 6,733.31 | 8,910.70 |
| Revenues from sale of trading goods | 197.93 | 1,372.03 |
| Other Operating Revenue | | |
| - Revenues from sale of scrap | 30.53 | 11.85 |
| - Duty Drawback Scheme benefits | 0.01 | 4.65 |
| - Cash Discount Income - Trading Division | - | 7.22 |
| - Delay Payment Charges-Trading Division | 185.37 | 96.39 |
| Total | 7,147.15 | 10,402.84 |

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

| (₹ in Lakhs) | | | | |
|-------------------------|---|---|---|---|
| Nature | Domestic | | Exports* | |
| | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
| Sale of goods | 6,340.84 | 8,291.21 | 392.47 | 619.49 |
| Sale of trading goods | 197.93 | 1,372.03 | - | - |
| Other Operating Revenue | 215.91 | 120.11 | - | - |
| Total | 6,754.68 | 9,783.35 | 392.47 | 619.49 |

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

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

1. The revenue from contracts with customers for the year includes variable consideration (volume & Rate discounts) of ₹ **92.58 lakhs** (P.Y. ₹139.51 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.
2. 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.
3. The movement in Company's receivables, contract assets and contract liabilities are as under:

(₹ in Lakhs)

| Particulars | Receivables | Contract Assets | Contract Liabilities |
|---|-----------------|-----------------|----------------------|
| Balance as at the beginning of the year | 1,669.59 | - | 14.43 |
| Balance as at the end of the year | 1,384.34 | - | 48.31 |
| Net Increase/ (Decrease) | (285.25) | - | 33.88 |

The revenue of ₹ **14.43 lakhs** (P.Y. ₹ 10.80 lakhs) has been recognised from the carried forward contract liabilities balance as at the beginning of the year.

(₹ in Lakhs)

| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
|---|---|---|
| 25. Other Income | | |
| Interest on Fixed and Other Deposits | 254.83 | 196.74 |
| Income From Contract Penalty | 5.00 | - |
| Interest Income From Associate | 22.37 | 18.92 |
| Interest Income From Subsidiary | - | - |
| Interest on IT Refund | 8.89 | - |
| Dividend Income | 16.46 | 23.12 |
| Exchange gains/(losses) on foreign currency | 7.52 | 6.91 |
| Trade payable written back | 2.40 | - |
| Gain on Sale of Asset | - | 8.59 |
| Miscellaneous income | 0.04 | - |
| Reversal of Provision for Non Moving Stock | - | 1.58 |
| Total | 317.51 | 255.86 |
| 26. Cost of Materials consumed | | |
| Raw Materials Consumed : | | |
| Opening Stock | 798.87 | 948.29 |
| Add: Purchases | 4,692.47 | 3,399.31 |
| Less: Closing Stock | 2,372.73 | 798.87 |
| | 3,118.61 | 3,548.73 |
| Packing Materials : | | |
| Opening Stock | 10.87 | 4.83 |
| Add: Purchases | 160.24 | 164.34 |
| Less: Closing Stock | 6.62 | 10.87 |
| | 164.49 | 158.29 |
| Total | 3,283.10 | 3,707.02 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

| (₹ in Lakhs) | | |
|--|---|---|
| Particulars | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
| 27. Purchase of stock in trade | | |
| Purchase of Trading Goods | 197.93 | 1,358.41 |
| Less: Trade Discount | 11.88 | 45.39 |
| Total | 186.05 | 1,313.02 |
| 28. Changes in Inventories of Finished Goods and Work-In-Progress | | |
| Closing Stock | | |
| Finished Goods | 358.46 | 639.45 |
| Work in Progress | 375.69 | 233.89 |
| | 734.15 | 873.34 |
| Less: Opening Stock | | |
| Finished Goods | 639.45 | 329.58 |
| Work in Progress | 233.89 | 361.05 |
| | 873.34 | 690.63 |
| (Increase)/Decrease | 139.18 | (182.71) |
| 29. Employee Benefits Expense | | |
| Salaries, Wages and Bonus * | 833.17 | 1,028.26 |
| Contribution to Provident and Other Funds | 73.26 | 80.14 |
| Staff Welfare Expenses | 99.80 | 113.74 |
| Total | 1,006.23 | 1,222.14 |
| * Including Commission to Executive Chairman & Director | | |
| 30. Finance Costs | | |
| <u>Interest on</u> | | |
| Cash Credit Facilities | 0.18 | 2.59 |
| Overdraft against FD | 28.88 | - |
| Interest on Advance from Holding Company | - | - |
| Others | 0.42 | 6.22 |
| <u>Other Borrowing Costs</u> | | |
| Bank Charges | 4.51 | 10.70 |
| Total | 33.99 | 19.51 |
| 31. Depreciation and Amortisation Expenses | | |
| Depreciation on PPE (Including Right-of-use Assets) | 345.89 | 282.63 |
| Amortisation of Intangible Assets | 3.43 | 2.49 |
| Total | 349.32 | 285.12 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

| (₹ in Lakhs) | | |
|--|---|---|
| Particulars | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
| 32. Other Expenses | | |
| Consumption of stores and spare parts | 83.97 | 118.95 |
| Power and Fuel | 639.36 | 700.39 |
| Factory Expenses | 33.74 | 50.16 |
| Material Handling | 104.75 | 112.97 |
| Repair and Maintenance | | |
| - Buildings | 27.56 | 22.38 |
| - Machinery | 113.64 | 99.76 |
| - Others | 11.78 | 12.45 |
| Rent | 112.64 | 41.59 |
| Insurance | 76.75 | 94.29 |
| Rates and Taxes | 11.94 | 9.87 |
| Legal fees | 1.45 | 63.00 |
| Filing Fees | 0.07 | 0.22 |
| Professional Fees | | |
| - R&D Consultancy fees | 39.84 | 48.00 |
| - Others | 82.17 | 122.53 |
| Payment to Auditors (Refer note (i) below) | 13.90 | 12.52 |
| Director's Sitting fees | 13.72 | 10.41 |
| Commission to Non Executive Directors | 2.03 | 7.49 |
| Printing and Stationery | 6.56 | 6.56 |
| Loss Allowance of Trade Receivables (Refer Note 10) | 207.52 | - |
| Security Charges | 58.93 | 53.21 |
| House Keeping Expenses | 24.22 | 28.27 |
| Travelling and Motor Car Expenses | 68.83 | 106.04 |
| Research and Development Expenses | 4.80 | 4.92 |
| Corporate Social Responsibility Expenses (Refer Note (ii) below) | 70.65 | 72.03 |
| Selling Expenses | 81.44 | 100.04 |
| Recruitment Exp. | 2.50 | 10.77 |
| Job Work Charges | 36.76 | 20.29 |
| Assets Written Off | - | 15.27 |
| Profit/loss on Sale of Asset | 2.61 | - |
| GST Expenses | 6.22 | 5.57 |
| Impairment of Assets | - | 82.37 |
| Subscription/membership | 9.17 | 9.08 |
| Computer Expense | 9.55 | 1.22 |
| Software Expense | 10.21 | 4.34 |
| Miscellaneous Expenses* | 19.63 | 28.61 |
| Total | 1,988.91 | 2,075.53 |

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

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

| (₹ in Lakhs) | | |
|-----------------------------------|---|---|
| Particulars | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
| (i) Payment to Auditors : | | |
| (a) Statutory Auditors | | |
| - As Auditor | 10.70 | 9.20 |
| - For Taxation matter (Tax Audit) | 2.25 | 2.70 |
| - Reimbursement of Expenses | 0.45 | 0.12 |
| (b) Cost Auditors | | |
| - As Auditor | 0.50 | 0.50 |
| Total | 13.90 | 12.52 |

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

(a) Gross amount required to be spent by the Company during the year: ₹ 70.65 Lakhs (Previous Year: ₹ 72.03 Lakhs)

(b) Details of corporate social responsibility expenditure

| (₹ in Lakhs) | | |
|--|---|---|
| Particulars | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
| (a) Amount Required to be spent by the group during the year | 70.65 | 72.02 |
| (b) Amount spent during the year on: | | |
| (i) Construction/acquisition of any Asset | - | - |
| (ii) On purposes other than (i) above | 70.65 | 72.03 |
| (c) Shortfall at the end of the year | - | - |
| (d) Details of related party transactions | | |
| Nature of CSR Activities | Promotion of Health Care, Education | Promotion of Health Care & Environmental |

33. 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 31st March, 2025 | For the year ended 31st March, 2024 |
| Revenue Expenditure | 171.71 | 201.53 |
| Total | 171.71 | 201.53 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
|---|---|---|
| 34. Disclosure pursuant to Ind AS 12 on “Income Taxes” | | |
| A. Components of Tax Expenses/(Income) | | |
| a. Profit or Loss Section | | |
| Current Tax | 181.87 | 577.03 |
| Earlier Year | (15.57) | 7.28 |
| Deferred Tax | 16.21 | 46.02 |
| Income tax expense recognised in the statement of profit or loss | 182.51 | 630.33 |
| b. Other Comprehensive Income Section | | |
| Remeasurement of Defined Benefits Plans | (1.36) | (0.52) |
| Equity instruments through other comprehensive income | 23.72 | 12.91 |
| Income Tax Expense recognised in Other Comprehensive Income | 22.36 | 12.39 |
| B. Reconciliation of Income Tax Expense/(Income) and Accounting Profit multiplied by domestic tax rate applicable in India | | |
| Profit before Tax | 477.88 | 2,219.07 |
| Corporate Tax rate as per Income Tax Act, 1961 | 25.17% | 25.17% |
| Tax on Accounting Profit | 120.27 | 558.50 |
| Effect of income exempt from tax | - | (5.82) |
| Effect of expenses/provisions not deductible in determining taxable profit | 302.09 | 228.18 |
| Effect of expenses/provisions deductible in determining taxable profit | (224.28) | (157.81) |
| Tax adjustment of earlier years | (15.57) | 7.28 |
| Income tax expense recognised in the statement of profit or loss | 182.51 | 630.33 |

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, 2025 | For the year ended 31 st March, 2024 |
|--|---|---|
| Profits available to equity shareholders (₹ in Lakhs) | 273.06 | 1,547.05 |
| Weighted Average Number of Equity Shares used for calculating Basic EPS | 97,83,990 | 97,83,350 |
| Weighted Average Number of Equity Shares used as denominator for calculating Diluted EPS | 97,91,929 | 97,85,537 |
| Earnings Per Share of ₹ 10 each | | |
| - Basic (in ₹) | 2.79 | 16.24 |
| - Diluted (in ₹) | 2.79 | 16.23 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

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

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|---------------------------------------|---------------------------------------|
| (A) Contingent liabilities not provided for in respect of: | | |
| (a) Guarantees issued by the bankers on behalf of the Company | 116.24 | 40.00 |
| (b) Pending Litigations: | | |
| (i) Income Tax | 92.29 | 48.43 |
| (ii) Service Tax/Excise | 5.34 | 66.34 |
| (iii) Provident Fund | 29.50 | 29.50 |
| (iv) GST | 97.77 | 7.44 |
| Total | <u>341.14</u> | <u>191.72</u> |
| (B) Commitments: | | |
| (a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) | 364.97 | 54.42 |

37. Leases

The Company has taken certain warehouses, residential houses 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, 2025 | For the year ended 31 st March, 2024 |
|--|---|---|
| Lease Payments - Rent (Refer note 32) | 112.64 | 41.59 |
| Bus and Car Rent Payments (Included in note no. 29 under Staff Welfare Expenses) | 40.12 | 40.36 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

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, 2025 | For the year ended 31 st March, 2024 |
| Contribution to Provident Fund | 44.94 | 51.74 |
| Superannuation Fund | 2.61 | 2.44 |
| Total | 47.55 | 54.18 |

B. Defined Benefit Plans

The Company operates a defined benefit gratuity plan covering qualifying employees. Under this plan, eligible employees are entitled to a post-retirement benefit calculated at 15 days' salary for each completed year of service, up to the retirement age of 58 years, subject to a maximum payment ceiling of ₹ 20 lakhs. The benefit vests upon completion of five years of continuous service, in accordance with the provisions of the Payment of Gratuity Act, 1972. Once vested, the gratuity becomes payable upon retirement or termination of employment. The Company makes annual contributions to a group gratuity scheme administered by the Life Insurance Corporation of India (LIC) through its Gratuity Trust Fund. The liability towards the gratuity plan is determined based on actuarial valuations carried out at the end of each reporting period using the projected unit credit method, as prescribed under Ind AS 19 – Employee Benefits.

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.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

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.

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, 2025 | 31 st March, 2024 |
| i. Discount Rate (per annum) | 6.60% | 7.20% |
| ii. Rate of increase in compensation levels (per annum) | 6.00% | 6.00% |
| iii. Expected Rate of Return on Assets | 6.60% | 7.20% |
| iv. Attrition Rate | | |
| Age | | |
| 25 & Below : | 30% p.a. | 30% p.a. |
| 25 to 35 : | 20% p.a. | 20% p.a. |
| 35 to 45 : | 10% p.a. | 10% p.a. |
| 45 to 55 : | 5% p.a. | 5% p.a. |
| 55 & above : | 5% p.a. | 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. Leave Availment Rate | 4% | 4% |
| ix. 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. | | |
| x. 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. | | |
| xi. 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:

| Particulars | (₹ in Lakhs) | |
|-------------------------------|------------------------------------|------------------------------------|
| | As at 31 st March, 2025 | As at 31 st March, 2024 |
| Current liability/(Asset) | (15.73) | (15.31) |
| Non-Current liability/(Asset) | (8.36) | - |
| Total | (24.09) | (15.31) |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

| (₹ in Lakhs) | | |
|--|---|---|
| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
| i. Change in the Present Value of Projected Benefit Obligation | | |
| Present Value of Benefit Obligation at the Beginning of the year | 73.36 | 86.36 |
| Interest Cost | 4.66 | 5.04 |
| Current Service Cost | 13.49 | 14.79 |
| (Benefit Paid From the Fund) | (19.22) | (34.58) |
| Actuarial (Gains)/ Losses on Obligations - Due to Change in Financial Assumptions | 3.14 | 0.44 |
| Due to change in Demographic assumptions | - | - |
| Actuarial (Gains)/ Losses on Obligations - Due to Experience | 1.77 | 1.30 |
| Present Value of Benefit Obligation at the End of the year | 77.20 | 73.36 |
| ii. Changes in the Fair value of Plan Assets | | |
| Fair Value of Plan Assets at the Beginning of the year | 88.67 | 89.70 |
| Interest Income | 6.25 | 5.83 |
| Contributions by the Employer | 26.10 | 28.06 |
| (Benefit Paid From the Fund) | (19.22) | (34.58) |
| Return on Plan Assets, Excluding Interest Income | (0.52) | (0.33) |
| Fair Value of Plan Assets at the End of the year | 101.29 | 88.67 |
| iii. Net (Liability)/Asset Recognised in the Balance Sheet | | |
| (Present Value of Benefit Obligation at the end of the year) | (77.20) | (73.36) |
| Fair Value of Plan Assets at the end of the year | 101.29 | 88.67 |
| Funded Status (Surplus/ (Deficit)) | 24.09 | 15.31 |
| Net (Liability)/Asset Recognised in the Balance Sheet | 24.09 | 15.31 |
| iv. Expenses Recognised in the Statement of Profit or Loss for the Current year | | |
| Current Service Cost | 13.49 | 14.79 |
| Net Interest Cost | (1.59) | (0.79) |
| Expenses Recognised | 11.90 | 14.00 |
| v. Expenses Recognised in the Other Comprehensive Income (OCI) for Current year | | |
| Actuarial (Gains)/ Losses on Obligation For the year | 4.91 | 1.75 |
| Return on Plan Assets, Excluding Interest Income | 0.52 | 0.33 |
| Net (Income)/Expenses For the year Recognised in OCI | 5.42 | 2.08 |
| 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 | 7.79 | 17.30 |
| 2nd Following Year | 6.40 | 6.82 |
| 3rd Following Year | 14.98 | 5.49 |
| 4th Following Year | 8.41 | 13.13 |
| 5th Following Year | 8.71 | 6.89 |
| Sum of Years 6 to 10 | 26.25 | 24.26 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

| Particulars | (₹ in Lakhs) | |
|---|--|--|
| | For the year ended 31 st March, 2025 Gratuity Funded | For the year ended 31 st March, 2024 Gratuity Funded |
| vii. Sensitivity Analysis | | |
| Projected Benefit Obligation on Current Assumptions | 77.20 | 73.36 |
| Delta Effect of +1% Change in Rate of Discounting | -3.41% | -2.93% |
| Delta Effect of -1% Change in Rate of Discounting | 3.64% | 3.13% |
| Delta Effect of +1% Change in Rate of Salary Increase | 3.20% | 2.87% |
| Delta Effect of -1% Change in Rate of Salary Increase | -3.35% | -2.81% |
| Delta Effect of +1% Change in Rate of Employee Turnover | -0.30% | -0.10% |
| Delta Effect of -1% Change in Rate of Employee Turnover | 0.33% | 0.05% |

Notes on Sensitivity Analysis

- 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.
- 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.
- 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.

C. Compensated absences (Unfunded)

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.

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, 2025 | 31 st March, 2024 |
| i. Discount Rate (per annum) | 6.60% | 7.20% |
| ii. Salary Growth Rate | 6.00% | 6.00% |
| iii. Attrition Rate | | |
| Age | | |
| 25 & Below : | 30% p.a. | 30% p.a. |
| 25 to 35 : | 20% p.a. | 20% p.a. |
| 35 to 45 : | 10% p.a. | 10% p.a. |
| 45 to 55 : | 5% p.a. | 5% p.a. |
| 55 & above : | 5% p.a. | 5% p.a. |
| iv. Mortality rate during the employment | Indian Assured Lives Mortality (2012-14) Table | Indian Assured Lives Mortality (2012-14) Table |
| v. Actuarial Valuation Method | Projected Unit Credit Method | Projected Unit Credit Method |
| vi. Retirement Age (years) | 58 | 58 |
| vii. Leave Availment Rate | 4% | 4% |
| viii. In Service Encashment Rate | 0% | 0% |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

- ix. 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.
- x. 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.
- xi. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

The provision towards Compensated Absences is as under:

| Particulars | (₹ in Lakhs) | |
|-----------------------|------------------------------------|------------------------------------|
| | As at 31 st March, 2025 | As at 31 st March, 2024 |
| Non-Current liability | 24.44 | 25.48 |
| Current liability | 5.43 | 11.44 |
| Total | 29.87 | 36.92 |

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 “Operating Segments”.

| Particulars | (₹ in Lakhs) | |
|---|---|---|
| | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
| A. Segment Revenue | | |
| a. Speciality Chemicals | 6,763.85 | 8,927.20 |
| b. Trading in Fruits and Vegetables | 383.30 | 1,475.64 |
| Total Revenue | 7,147.15 | 10,402.84 |
| B. Segment Results | | |
| Profit /(Loss) before Tax and Finance cost | | |
| a. Speciality Chemicals | 530.03 | 2,075.96 |
| b. Trading in Fruits and Vegetables | (18.16) | 162.62 |
| Profit/(Loss) before Tax and Finance cost | 511.87 | 2,238.58 |
| Less: Finance Cost | (33.99) | (19.51) |
| Tax Expenses | (182.51) | (630.33) |
| Net Profit /(Loss) after Tax before share of loss of associate | 295.37 | 1,588.74 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(₹ in Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|---------------------------------------|---------------------------------------|
| Other Information : | | |
| <u>Segment Assets</u> | | |
| a. Speciality Chemicals | 17,450.95 | 15,844.83 |
| b. Trading in Fruits and Vegetables | 358.06 | 422.74 |
| Total | 17,809.01 | 16,267.57 |
| <u>Segment Liabilities</u> | | |
| a. Speciality Chemicals | 1,683.05 | 1,456.14 |
| b. Trading in Fruits and Vegetables | - | - |
| Total | 1,683.05 | 1,456.14 |
| <u>Capital Expenditure during the year</u> | | |
| a. Speciality Chemicals | 401.48 | 2,917.08 |
| b. Trading in Fruits and Vegetables | - | 1.90 |
| Total | 401.48 | 2,918.98 |
| <u>Depreciation during the year</u> | | |
| a. Speciality Chemicals | 349.32 | 285.12 |
| b. Trading in Fruits and Vegetables | - | - |
| Total | 349.32 | 285.12 |

Notes :

- One customer contributed 10% or more to the company's revenue for F.Y. 2024-25 i.e. ₹ **725.72 lakhs** (P.Y. ₹ 1478.30 lakhs).
- The revenue from the said customer pertains to the Speciality Chemicals.
- The Group does not have any other reportable segment in terms of Ind AS 108 on "Operating Segments".

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. Tanmay Godiawala | Director |
| Mr. Rajendra Chhabra | Non executive directors |
| Mr. Dhruv Mehta | Independent Director |
| Mr. Priyam Jhaveri | Independent Director (w.e.f. 09.08.2024) |
| Mr. Ambrish Dalal | Independent Director (up to 11.08.2024) |
| Mrs. Kejal Pandya | Independent Director |

(B) Relative of Key Managerial Personnel:

| | |
|-----------------|--|
| Mr. Mohak Mehta | Relative of Key Managerial personnel and Director of Wholly Owned Subsidiary |
|-----------------|--|

(C) Associate

| | |
|------------------------------|-----------|
| KLJ Organic Diamines Limited | Associate |
|------------------------------|-----------|

(D) Director of WOS:

| | |
|-------------------------|--|
| Mr. Tanmay Godiawala | Managing Director of wholly Owned Subsidiary |
| Mr. G. S. Venkatachalam | Director |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(E) 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.
Reaxa Limited (UK)
R.S.Chhabra & Co. (Prop. Mr Rajendra Chhabra)

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 | - | 56.64 | - | - | 56.64 |
| | - | (148.51) | (23.60) | (20.67) | (192.80) |
| Mr. Amit M Mehta | - | 24.00 | - | - | 24.00 |
| | - | (97.91) | - | - | (97.91) |
| Mr. G. S. Venkatachalam | - | - | - | - | - |
| | - | (50.60) | - | - | (50.60) |
| Mr. Mohak Mehta | - | - | - | - | - |
| | - | - | (23.60) | - | (23.60) |
| Mr. Tanmay Godiwala | - | 32.64 | - | - | 32.64 |
| | - | (6.97) | - | (20.67) | (27.64) |
| Sitting Fees paid | - | 13.72 | - | - | 13.72 |
| | - | (10.41) | - | - | (10.41) |
| Mr. Rajendra Chhabra | - | 3.84 | - | - | 3.84 |
| | - | (3.24) | - | - | (3.24) |
| Mr. Priyam Jhaveri | - | 1.32 | - | - | 1.32 |
| | - | - | - | - | - |
| Mr. Ambrish Dalal | - | 1.92 | - | - | 1.92 |
| | - | (2.23) | - | - | (2.23) |
| Mr. Dhruv Mehta | - | 3.20 | - | - | 3.20 |
| | - | (2.30) | - | - | (2.30) |
| Mrs. Kejal Pandya | - | 3.44 | - | - | 3.44 |
| | - | (2.64) | - | - | (2.64) |
| 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) |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(₹ 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 |
|---|---|--------------------------|--------------------------------------|-----------------|--------------|
| Commission | - | 24.22 | - | - | 24.22 |
| | - | (58.05) | - | - | (58.05) |
| Mr. Amit M Mehta | - | 22.19 | - | - | 22.19 |
| | - | (35.13) | - | - | (35.13) |
| Mr. G. S. Venkatachalam | - | - | - | - | - |
| | - | (15.44) | - | - | (15.44) |
| Mr. Rajendra Chhabra | - | 0.92 | - | - | 0.92 |
| | - | (3.40) | - | - | (3.40) |
| Mr. Dhruv Mehta | - | 0.37 | - | - | 0.37 |
| | - | (1.36) | - | - | (1.36) |
| Mr. Ambrish Dalal | - | 0.37 | - | - | 0.37 |
| | - | (1.36) | - | - | (1.36) |
| Mrs. Kejal Pandya | - | 0.37 | - | - | 0.37 |
| | - | (1.36) | - | - | (1.36) |
| Reimbursement of Expenses | 2.75 | 19.60 | - | - | 22.35 |
| | (6.79) | (9.52) | - | (22.93) | (39.24) |
| Mr. Amit M Mehta | - | 1.01 | - | - | 1.01 |
| | - | (9.05) | - | - | (9.05) |
| Mr. G. S. Venkatachalam | - | - | - | - | - |
| | - | (0.23) | - | - | (0.23) |
| S Amit & Co. | 2.75 | - | - | - | 2.75 |
| | (6.79) | - | - | - | (6.79) |
| Mr. Tanmay Godiawala | - | 18.59 | - | - | 18.59 |
| | - | (0.24) | - | (22.93) | (23.17) |
| Reimbursement from related parties | 0.28 | 0.15 | - | - | 0.43 |
| | (0.76) | (4.31) | - | (6.89) | (11.97) |
| Mr. Amit M Mehta | - | 0.15 | - | - | 0.15 |
| | - | (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. | 0.28 | - | - | - | 0.28 |
| | (0.24) | - | - | - | (0.24) |
| Mr. Tanmay Godiawala | - | - | - | - | - |
| | - | - | - | (6.89) | (6.89) |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(₹ 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 |
|--|---|--------------------------|--------------------------------------|-----------------|--------------|
| Investment in Associate/ Joint Venture | - | - | - | - | - |
| | (174.65) | - | - | - | (174.65) |
| KLJ Organic diamines limited | - | - | - | - | - |
| | (174.65) | - | - | - | (174.65) |
| Unsecured Loans to Associate | - | - | - | - | - |
| | (70.27) | - | - | - | (70.27) |
| KLJ Organic Diamines Limited | - | - | - | - | - |
| | (70.27) | - | - | - | (70.27) |
| Recovery of Unsecured Loans from Associate | - | - | - | - | - |
| | (175.00) | - | - | - | (175.00) |
| KLJ Organic Diamines Limited | - | - | - | - | - |
| | (175.00) | - | - | - | (175.00) |
| Interest on Loans to Associate | 22.37 | - | - | - | 22.37 |
| | (25.77) | - | - | - | (25.77) |
| KLJ Organic Diamines Limited | 22.37 | - | - | - | 22.37 |
| | (25.77) | - | - | - | (25.77) |
| Recovery of Interest on Loan of Associate | - | - | - | - | - |
| | (11.15) | - | - | - | (11.15) |
| KLJ Organic diamines limited | - | - | - | - | - |
| | (11.15) | - | - | - | (11.15) |
| Recovery of Expenses Associate | 0.27 | - | - | - | 0.27 |
| | - | - | - | - | - |
| KLJ Organic diamines limited | 0.27 | - | - | - | 0.27 |
| | - | - | - | - | - |
| Purchase of Goods (Inclusive of Tax) | 9.39 | - | - | - | 9.39 |
| | (30.48) | - | - | - | (30.48) |
| Reaxa Chemistry Solutions, LLP | 9.39 | - | - | - | 9.39 |
| | (30.48) | - | - | - | (30.48) |
| Security Deposit from customer | 20.00 | - | - | - | 20.00 |
| | - | - | - | - | - |
| Reaxa Chemistry Solutions, LLP | 20.00 | - | - | - | 20.00 |
| | - | - | - | - | - |
| Sales of Goods/services (Inclusive of Tax) | 25.67 | - | - | - | 25.67 |
| | (43.18) | - | - | - | (43.18) |
| Reaxa Chemistry Solutions, LLP | 1.42 | - | - | - | 1.42 |
| | (43.18) | - | - | - | (43.18) |
| Reaxa Limited (UK) | 24.25 | - | - | - | 24.25 |
| | - | - | - | - | - |
| Rent of Office/Accommodation (Inclusive of Tax) | 6.97 | 84.00 | - | - | 90.97 |
| | (6.97) | (14.00) | - | - | (20.97) |
| Finorga (I) Pvt. Ltd. | 6.97 | - | - | - | 6.97 |
| | (6.97) | - | - | - | (6.97) |
| Mr. Amit M Mehta | - | 84.00 | - | - | 84.00 |
| | - | (14.00) | - | - | (14.00) |

Amounts in bracket indicate previous year figures.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

| Balance as at: | | (₹ in Lakhs) | |
|---|--|--|--|
| Particulars | As at 31st March, 2025 | As at 31st March, 2024 | |
| Other payable: | 27.67 | 62.60 | |
| Remuneration : | | | |
| Mr. Amit M Mehta | - | 2.00 | |
| Mr. Tanmay Godiawala | 2.55 | 2.55 | |
| Legal & Professional Fees : | | | |
| R.S.Chhabra & Co. (Prop. Mr. Rajendra Chhabra) - Net of TDS | 0.90 | - | |
| Commission to Directors: | | | |
| Mr. Amit M Mehta | 22.19 | 35.13 | |
| Mr. G. S. Venkatachalam | - | 15.44 | |
| Mr. Rajendra Chhabra | 0.92 | 3.40 | |
| Mr. Dhruv Mehta | 0.37 | 1.36 | |
| Mr. Ambrish Dalal | 0.37 | 1.36 | |
| Mrs. Kejal Pandya | 0.37 | 1.36 | |
| Unsecured Loans: | | | |
| KLJ Organic Diamines Limited | 256.41 | 256.68 | |
| Financial Assets- Others: | | | |
| Interest Receivable: | | | |
| KLJ Organic Diamines Limited | 43.32 | 23.19 | |
| Trade Receivables | | | |
| Reaxa Chemistry Solutions, LLP | - | 20.23 | |
| Trade Payable | | | |
| Reaxa Chemistry Solutions, LLP | - | 3.16 | |
| Finorga (I) Pvt. Ltd. | - | 1.74 | |
| Other Current Liability | | | |
| Security Deposit | | | |
| Reaxa Chemistry Solutions, LLP | 20.00 | - | |

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, 2025 | For the year ended 31st March, 2024 | |
| Short-term employee benefits | 78.83 | 199.08 | |
| 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, 2025

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, 2025 and 31st March, 2024.

| (₹ in Lakhs) | | |
|---|------------------------------------|------------------------------------|
| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
| I. Financial assets: | | |
| Measured at fair value through Other Comprehensive Income (FVTOCI) | | |
| (a) Investments in equity instruments (Quoted) | 1,495.65 | 1,443.16 |
| Total | 1,495.65 | 1,443.16 |
| Measured at amortised cost | | |
| Trade receivables | 1,384.34 | 1,669.59 |
| Cash and cash equivalents | 2,192.38 | 254.47 |
| Other bank balances | 1,947.24 | 3,535.66 |
| Investment in Associate | 111.00 | 133.31 |
| Loan to Associate | 299.72 | 279.87 |
| Other financial assets | 14.31 | 14.25 |
| Total | 5,949.00 | 5,887.14 |
| II. Financial liabilities: | | |
| Measured at amortised cost | | |
| Borrowings | 2.51 | - |
| Trade payables | 877.86 | 519.43 |
| Other financial liabilities | 220.95 | 337.76 |
| Total | 1,101.32 | 857.19 |

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.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(C) 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 | As at 31 st March, 2025 | | | As at 31 st March, 2024 | | |
|---|------------------------------------|---------|---------|------------------------------------|---------|---------|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| (a) Financial assets / liabilities at fair value through other comprehensive income (FVTOCI) | | | | | | |
| Financial assets measured at fair value | | | | | | |
| Investments in equity - | | | | | | |
| Quoted (Refer Note-5(A)) | 1,495.65 | - | - | 1,443.16 | - | - |

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(b) Fair Value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The carrying amounts of Financial Assets and Financial Liabilities recognised at amortized cost to their fair values.

There has been no transfers between level 1, level 2 and level 3 for the years ended 31st March, 2025.

(D) 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.

1. 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.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(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, 2025 | | As at 31 st March, 2024 | |
|-------------|------------------------------------|------------|------------------------------------|------------|
| | Amount in Foreign currency | ₹ in Lakhs | Amount in Foreign currency | ₹ in Lakhs |
| Payable USD | 6,83,257.06 | 597.25 | 4,71,467.40 | 393.23 |

(a) 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, 2025 | For the year ended 31 st March, 2024 |
| Liabilities: | | |
| Weakening of INR by 5% | -29.86 | -19.66 |
| Strengthening of INR by 5% | 29.86 | 19.66 |

(b) 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 & out of the above, the details of exposures hedged using forward exchange contracts are given below as at year ended 31st March, 2025 and 31st March, 2024 are as under

| Outstanding contracts | Average exchange rates | | Foreign Currency | |
|-----------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | 31 st March, 2025 | 31 st March, 2024 | 31 st March, 2025 | 31 st March, 2024 |
| USD-Sell | 87.27 | 83.40 | 3,77,328.06 | 4,71,467.40 |

| Outstanding contracts | Nominal Amounts | | Fair Value | |
|-----------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | 31 st March, 2025 | 31 st March, 2024 | 31 st March, 2025 | 31 st March, 2024 |
| In INR | 329.31 | 393.23 | 322.92 | 393.23 |
| Total | 329.31 | 393.23 | 322.92 | 393.23 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

(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, 2025 would increase / decrease by **₹ 74.78 Lakhs** (P.Y. ₹ 72.16 Lakhs) as a result of 5% changes in fair value of equity investments measured at FVTOCI.

2. 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.

3. 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, 2025 | | | | |
| Trade payables | 877.86 | - | - | - |
| Other Financial Liabilities | 220.95 | - | - | - |
| Total | 1,098.81 | - | - | - |
| As at 31st March, 2024 | | | | |
| Trade payables | 519.12 | 0.31 | - | - |
| Other Financial Liabilities | 337.76 | - | - | - |
| Total | 856.88 | 0.31 | - | - |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

42. 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, 2025 | | | | | | | | |
| Parent Company | | | | | | | | |
| Diamines and Chemicals Limited | 102.74% | 16,567.85 | 164.33% | 448.73 | 100.00% | 24.71 | 159.00% | 473.44 |
| Sub Total (A) | 102.74% | 16,567.85 | 164.33% | 448.73 | 100.00% | 24.71 | 159.00% | 473.44 |
| Subsidiary Company | | | | | | | | |
| DACL Fine Chem Limited | 5.44% | 877.49 | -58.98% | (161.04) | 0.00% | - | -54.08% | (161.04) |
| Associate Company | | | | | | | | |
| KLJ Organic Diamines Limited | 0.00% | - | -8.17% | (22.31) | 0.00% | - | -7.49% | (22.31) |
| Sub Total (B) | 5.44% | 877.49 | -67.15% | (183.35) | 0.00% | - | -61.57% | (183.35) |
| Eliminations (C) | -8.18% | (1,319.38) | 2.81% | 7.68 | 0.00% | - | 2.58% | 7.68 |
| Sub Total (A+B+C) | 100.00% | 16,125.96 | 100.00% | 273.06 | 100.00% | 24.71 | 100.00% | 297.77 |
| As at 31st March, 2024 | | | | | | | | |
| Parent Company | | | | | | | | |
| Diamines and Chemicals Limited | 101.80% | 15,077.64 | 114.87% | 1,777.13 | 100.00% | 98.44 | 113.98% | 1,875.56 |
| Sub Total (A) | 101.80% | 15,077.64 | 114.87% | 1,777.13 | 100.00% | 98.44 | 113.98% | 1,875.56 |
| Subsidiary Company | | | | | | | | |
| DACL Fine Chem Limited | 7.01% | 1,038.54 | -12.63% | (195.45) | 0.00% | - | -11.88% | (195.45) |
| Associate Company | | | | | | | | |
| KLJ Organic Diamines Limited | 0.00% | - | -2.69% | (41.69) | 0.00% | - | -2.53% | (41.69) |
| Sub Total (B) | 7.01% | 1,038.54 | -15.33% | (237.14) | 0.00% | - | -14.41% | (237.14) |
| Eliminations (C) | -8.81% | (1,304.76) | 0.46% | 7.06 | 0.00% | - | 0.43% | 7.06 |
| Sub Total (A+B+C) | 100.00% | 14,811.41 | 100.00% | 1,547.05 | 100.00% | 98.44 | 100.00% | 1,645.48 |

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

43. Disclosures on Financial Ratios

| Ratio | Numerator | Denominator | 31-Mar-25 | 31-Mar-24 | Variance % | Reason for variance |
|---------------------------------|--|------------------------------|-----------|-----------|------------|--|
| Current ratio | Current Assets | Current Liabilities | 7.36 | 7.29 | 0.91% | |
| Debt- Equity Ratio | Total Debt | Shareholder's Equity | - | - | - | NA |
| Debt Service Coverage ratio | Earnings available for debt service (1) | Debt Service (2) | 22.26 | 210.18 | -89.41% | EBITDA declined mainly due to impact of reduction of sales price and increasing material cost Marginally increase in finance cost. |
| Return on Equity ratio | Net Profits after taxes – Preference Dividend (if any) | Average Shareholder's Equity | 1.83% | 10.73% | -82.92% | Profit Margin declined mainly due to impact of reduction of sales price and increasing material cost |
| Inventory Turnover ratio | Cost of goods sold | Average Inventory | 1.47 | 2.83 | -47.98% | Increase in Raw Material Inventory |
| Trade Receivable Turnover Ratio | Net Credit Sales (3) | Average Accounts Receivable | 4.54 | 5.19 | -12.62% | |
| Trade Payable Turnover Ratio | Net Credit Purchases (4) | Average Trade Payables | 7.23 | 7.72 | -6.33% | |
| Net Capital Turnover Ratio | Net Sales (5) | Working Capital (6) | 0.89 | 1.59 | -43.66% | Due to reduction in sales revenue and increase in raw material inventory. |
| Net Profit ratio | Net Profit | Net Sales (5) | 4.13% | 15.27% | -72.94% | Profit Margin declined mainly due to impact of reduction of sales price and increasing material cost |
| Return on Capital Employed | Earnings before interest and taxes | Capital Employed (7) | 3.09% | 14.72% | -79.01% | EBITDA declined mainly due to impact of reduction of sales price and increasing material cost. |
| Return on Investment | Income from invested funds (8) | Average Invested Funds (9) | 6.99% | 7.96% | -12.21% | |

(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, 2025

44. 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 5752 (Grant 9 to 12) Stock Option (Previous year: stock options 2127 grant 8) to the employees as Reward/Joining bonus for the year ended March 31, 2025. During the year ended 31st March 2025, The Company has charged to statement of profit and loss as Employee benefit Expenses of ₹ 10.55 Lakhs (P.Y. ₹ 6.51 Lakhs) and the balance in employee share option outstanding a/c as at March 31, 2025 is ₹ 13.31 lakhs (P.Y. ₹ 2.76 Lakhs)"

During the previous year, the Company has granted 9060 (3310 shares granted at 1st tranche, 3250 shares granted at 2nd tranche and 2500 shares granted at 3rd tranche) Stock Option to the employees as Reward/Joining bonus for the year ended March 31, 2023. During the year ended 31st March 2023, The Company has charged to statement of profit and loss as Employee benefit Expenses of Rs. 7.42 Lakhs by creating an Employee stock option reserve which is grouped under the head "Other Equity"

1. Option Movement during the year ended 31st March, 2025

| Grant no. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Fair value/Weighted average price per ESOP option (in ₹) | 276.27 | 275.12 | 348.70 | 221.16 | 349.24 | 413.41 | 285.53 | 553.26 | 532.33 | 337.03 | 556.11 | 371.03 |
| Number of options outstanding at beginning of the year | - | 60 | - | - | - | - | - | 2,127 | - | - | - | - |
| Add: Number of options granted during the year | - | - | - | - | - | - | - | - | 750 | 1,000 | 3,132 | 870 |
| 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 | - | 60 | - | - | - | - | - | 2,127 | 750 | 1,000 | 3,132 | 870 |
| Weighted average years of expiry | 4 years | 1 years | 3 years | 3 years | 4 years | 4 years | 4 years | 4 years | 4 years | 4 years | 4 years | 4 years |

2. 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 | 348.70 | 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 |

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 | | | | | | | | | | |
| Grant Date | 11-05-2022 | 11-05-2022 | 10-08-2022 | 10-08-2022 | 10-08-2022 | 06-02-2023 | 06-02-2023 | 03-08-2023 | 21-05-2024 | 06-08-2024 | 06-08-2024 |
| Grant no. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Number of Options granted | 2,500 | 810 | 1,500 | 1,000 | 750 | 1,500 | 1,000 | 2,127 | 750 | 1,000 | 3,132 |
| Option value as on grant date | | | | | | | | | | | |
| Fair value/Weighted average price per ESOP option (in ₹) | 276.27 | 275.12 | 348.70 | 221.16 | 349.24 | 413.41 | 285.53 | 553.26 | 532.33 | 337.03 | 556.11 |
| Face value per ESOP option (in ₹) | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Value of Option (in ₹) | 690,684 | 222,851 | 523,050 | 221,160 | 261,930 | 620,115 | 285,530 | 1,176,784 | 399,250 | 337,030 | 1,741,737 |
| Parameters of Fair value of options as on grant date | | | | | | | | | | | |
| Stock price as on grant date (in ₹) | 283.80 | 283.80 | 356.80 | 356.80 | 356.80 | 420.90 | 420.90 | 587.65 | 563.95 | 563.95 | 574.20 |
| Exercise Price (in ₹) | 10.00 | 10.00 | 10.00 | 178.00 | 10.00 | 10.00 | 210.45 | 10.00 | 10.00 | 281.98 | 10.00 |
| Volatility (%) | 44.99% | 44.99% | 42.80% | 42.80% | 42.80% | 51.58% | 51.58% | 56.87% | 35.09% | 35.09% | 47.61% |
| Risk Free rate (%) | 7.10% | 7.10% | 7.01% | 7.01% | 7.01% | 7.21% | 7.21% | 7.18% | 7.05% | 7.05% | 6.80% |
| Dividend Yield | | | | | | | | 1.17% | 1.09% | 1.09% | 0.46% |
| Expected life of the option | 4 years | 2 years | 3 years | 3 years | 4 years | 4 years | 4 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, 2025

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.

45. The Group does not have any Immovable Property whose title deeds are not held in the name of the Company.
46. The Group does not have any transactions with struck-off companies.
47. The Group has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.
48. The Group doesn't have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
49. The Group doesn't have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
50. The Group has not advanced any loans or advances in the nature of loans to specified persons viz. promoters, directors, KMPs, related parties; which are repayable on demand or where the agreement does not specify any terms or period of repayment.
51. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
52. The Group does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
53. The Group has sought balance confirmations from trade receivables and trade payables, wherever such balance confirmations are received by the Group, the same are reconciled and appropriate adjustments if required, are made in the books of account.
54. The previous year's figures have been regrouped wherever necessary to make them comparable with the current year.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

55 Approval of Consolidated Financials Statements

The Consolidated Financial Statements were approved for issue by the Board of Directors on 29th May, 2025.

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829
Chhaya Dave
Partner
Membership No. 100434
Place : Vadodara
Date : 29th May, 2025

For and on behalf of the Board
Amit Mehta
Executive Chairman
DIN: 00073907
Place : Mumbai
Dipen Ruparelia
Chief Financial Officer
Place : Vadodara
Date : 29th May, 2025

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

**Diamines And Chemicals Limited****CIN NO:L24110GJ1976PLC002905****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 49th Annual General Meeting held at Plot No.13, PCC Area, P.O. Petrochemicals, Vadodara –391 350 at 11:30 AM on Thursday, the 4th September, 2025.**

| | |
|---|-----------------------------------|
| 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 49th (Forty-Ninth) Annual General Meeting of the Company, to be held on the **4th day of September, 2025 at 11:30 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, 2025 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, 2025.
- 2) To appoint a Director in place of Mr. Rajendra Chhabra (DIN: 00093384) who retires by rotation and being eligible, offers himself for re-appointment.
- 3) To declare Final Dividend of ₹ 1/- per Ordinary (Equity) share of ₹ 10/- each for the financial year 2024-2025.
- 4) Ratification of Remuneration of Cost Auditor for the FY 2025-26
- 5) To Confirm Appointment and Remuneration of M/S Sandip Seth and Associates, Secretarial Auditor for a term of 5 years
- 6) Re-appointment of Mr. Amit Mehta (DIN: 00073907) as an Executive Chairman
- 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 2026-27

Sign this _____ day of _____ 2025

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.



Diamines And Chemicals Limited
CIN NO:L24110GJ1976PLC002905

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, 2025 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, 2025. | | | |
| 2 | To appoint a Director in place of Mr. Rajendra Chhabra (DIN: 00093384) who retires by rotation and being eligible, offers himself for re-appointment. | | | |
| 3 | To declare Final Dividend of ₹ 1/- per Ordinary (Equity) share of ₹ 10/- each for the financial year 2024-2025. | | | |
| 4 | Ratification of Remuneration of Cost Auditor for the FY 2025-26 | | | |
| 5 | To Confirm Appointment and Remuneration of M/S Sandip Seth and Associates, Secretarial Auditor for a term of 5 years | | | |
| 6 | Re-appointment of Mr. Amit Mehta (DIN: 00073907) as an Executive Chairman | | | |
| 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 2026-27 | | | |

Place:

Date:

(Signature of Shareholder)

[illegible]

To

If undelivered, please return to



Diamines and Chemicals Limited

Regd Office :

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

 **Pratiksha**
98252 62512